THE NEW UNEMPLOYED: LONG-TERM CONSEQUENCES FOR THEIR FAMILIES

HEARING

BEFORE THE

SELECT COMMITTEE ON CHILDREN, YOUTH, AND FAMILIES HOUSE OF REPRESENTATIVES

NINETY-EIGHTH CONGRESS

SECOND SESSION

HEARING HELD IN DETROIT, MI, ON
MARCH 5, 1984

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THE NEW UNEMPLOYED: LONG-TERM CONSEQUENCES FOR THEIR FAMILIES

MONDAY, MARCH 5, 1984

HOUSE OF REPRESENTATIVES,
SELECT COMMITTEE ON CHILDREN, YOUTH, AND FAMILIES,
Washington, DC.

The select committee met pursuant to call at 9:30 a.m., at 26645 West Six Mile Road, Methodist Children's Home Society, Detroit, MI, Hon. George Miller presiding.

Members present: Representatives Miller, Levin, Rowland, Coats, Marriott, and Conyers.

Staff present: Alan J. Stone, staff director and counsel; Judy Weiss, research assistant; Christine Elliott-Groves, minority staff director; and George Elser, minority counsel.

OPENING STATEMENT OF HON. GEORGE MILLER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Chairman MILLER. The select committee will come to order. The Select Committee on Children, Youth and Families is very pleased to be here in Detroit.

We want to thank Congressman Levin for the assistance he and his staff have given to the committee in setting up today's hearing. Our thanks to the Methodist Children's Home Society for making this facility available.

We have come to Detroit because with over 100,000 workers still on indefinite layoff, there is much to learn here. We could have gone to any number of towns and cities, however. Throughout the country, there are millions of men and women who never dreamt they'd be without work, and now they are.

With the help of extended families, friends, and other community supports, many families do their best under very trying circumstances. But for many newly unemployed families, as we have seen in our first year of hearings, the effects can be extremely harmful.

Families can lose their health insurance, run out of unemployment benefits, struggle to pay the rent or the mortgage, each of which presents a challenge to the continued health and vitality of the family unit.

As coping becomes more stressful, emotional, and psychological problems become much more evident. Children, obviously, suffer with their parents. I think that the witnesses that we will hear from today will present us with a broad cross section of the problems confronted by these families, who, after many, many years with steady employment, now find their future prospects in doubt.

At this time, the Chair would like to recognize Congressman Marriott from Utah, the ranking minority member.

[Opening statement of Chairman George Miller follows:]

OPENING STATEMENT OF CHAIRMAN GEORGE MILLER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA AND CHAIRMAN, SELECT COMMITTEE ON CHILDREN, YOUTH, AND FAMILIES

The Select Committee on Children, Youth, and Families is very pleased to be in Detroit.

We have come to Detroit because, with over 100,000 workers still on indefinite layoff, there is much to learn here. We could have gone to any number of towns and cities, however. Throughout the country there are millions of men and women who never dreamt they'd be without work, and now are.

With the help of extended families, friends and other community supports, many families do their best under very trying circumstances. But for many newly unemployed families, as we have seen in our first year of hearings, the effects can be extremely harmful. Families lose their health insurance, run out of unemployment benefits, struggle to pay the rent or mortgage, each of which is essential to the continued health and viability of the family unit.

As coping becomes more stressful, emotional and psychological problems become much more evident. Wage earners become depressed, alcoholism, abuse and institutionalization increase, as do the number of divorces and separations. We will hear today how, in one community, reports of child abuse have increased 450 percent in four years.

Children, obviously, suffer as their parents suffer. Loss of resources can isolate them from their friends, hurt their grades, shake their sense of personal security, and their confidence in the future.

I believe today's witnesses will give us the range of perspectives we need. First, we will hear from parents and children and find out what people go through when parents who have worked for a long time lose their jobs. Then, we will hear from members of the community who have found successful ways to respond to their needs. We will learn about programs for job re-training and placement, emergency assistance, and for providing child care to parents who are in re-training programs. Finally, we will hear a demographic overview from experts familiar with the relationship between unemployment and the provision of social services, between unemployment and utilizatioon of other programs, like those treating substance abuse, and between unemployment and the health of parents and children.

The economy in many states, not just Michigan, is in transition. Because we all care about families, we have to remember that what may be simply a downward trend to an economist or labor market analyst can be a catastrophe for a family. As millions of middle income families are asked to readjust their expectations, both public and private institutions will have to respond to enable families to remain healthy. Today's hearing will be critically important to us as we develop policies for the future.

STATEMENT OF HON. DAN MARRIOTT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF UTAH

Mr. MARRIOTT. Thank you, Mr. Chairman. It is an honor for me to be here. I have had a very enjoyable night here in Redford; I have looked around a bit and I am very impressed with what I have seen.

I also want to congratulate Congressman Levin. He has been a valuable asset to this committee. He has done a fine job and he has, I know, your best interest at heart.

I want to just simply say that we have been analyzing over the last year a lot of statistics. Sometimes we get so bogged down in statistics, we forget about the human elements that are involved; and it is valuable to be able to come to these hearings and see the real world, how things are working, and what problems people are having.

I have been very interested in the concept of the extended family and how when people find themselves in trouble, financially or otherwise, the direct family, the relatives, the community, the neighbors, the churches, and even the Government entities become involved as part of their expanded family, to help people.

I would be very interested if these witnesses today would talk a bit about how the church, the neighbors, the relatives and others help solve the problems. Again, I think solving the problems of America is going to take a partnership effort; and I am just pleased to be here today as a part of this hearing to hear how that partnership is working.

Thank you, Mr. Chairman.

Chairman MILLER. Congressman Levin.

STATEMENT OF HON. SANDER M. LEVIN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MICHIGAN

Mr. LEVIN. Thank you very much.

All of us here from Michigan, including Congressman Conyers, we welcome you; George Miller and Dan Marriott, and Roy Rowland from Georgia, we welcome all of you to Michigan; and the staff, the majority and the minority, who have been working so hard.

We know here that unemployment remains very, very high. We also know that the statistics show that over 100,000 people moved out of Michigan last year during the period of the very high unemployment.

In addition to our general concern about Michigan's economy, we are here today because we have an interest in the personal impact of unemployment on families. In 1982, I went door to door in neighborhoods here in Redford Township and the communities around Redford Township, talking with laid-off workers and their families.

I met men and women who were once steadily employed who are now living through months and even years without work. While talking with them, I caught glimpses of what life is like for them and the corrosive effect of joblessness.

I heard stories of families fragmented, either because someone had moved to another city or State to look for work or because stresses of being unemployed has caused family frictions that led to a break.

I heard about children who had dropped out of school activities and had stopped doing well in school. I sensed the tensions in these families; but it was not possible to fully understand the problems that these families were facing. Clearly, by just knocking on the doors or even talking to the people, one cannot learn the full story.

In this hearing, this is a forum and effort to learn a bit more about that story.

From select committee testimony of the last year, we have learned that prevention programs not only save human misery but are cost effective as well. Unemployment means lost wages; it also usually means lost opportunities for children and families to flourish. The more we understand the true cost of unemployment, the more we will see the importance of working to prevent it.

So again, we all, here in Michigan, welcome the select committee to Michigan and we are looking forward to the testimony of various witnesses.

Thank you, Mr. Chairman.

[Opening statement of Congressman Sander Levin follows:]

OPENING STATEMENT OF HON. SANDER M. LEVIN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MICHIGAN

I'm pleased to welcome Select Committee Chairman George Miller and Congressmen Dan Marriott, Dan Coats, and Roy Rowland to Michigan for today's hearing. I want to thank Congressman Conyers for joining us to bring his prespective as a representative of Detroit. I appreciate the fact that the witnesses have agreed to share with us their own experiences and insights and I thank them for coming. Finally, I'm glad that you in the audience have demonstrated your interest and concern by joining us today.

I am especially gratified that the Select Committee has decided to devote this hearing to a topic of immense significance in Michigan and in other areas of the nation. Despite better news from the nation as a whole about lower unemployment rates, many areas of our country continue in deep recession and many people who want to work are still unable to find jobs. In Michigan, unemployment continues at a rate of 11.9 percent and the statistics on emigration reveal that 110,000 people moved out of the state last year. Because I believe that the economy is Michigan's most critical problem, I welcome the efforts of the Select Committee in arranging this hearing and have worked closely with Chairman Miller and the Committee staff.

But in addition to my concern for Michigan's economy, I have a very personal interest in the impact of unemployment on families, stemming from my experience in the 1982 campaign. When I was running for office, I went door to door through neighborhoods in Redford township, where we are meeting today, and in other communities near here, talking with laid-off workers and their families. I met many men and women who were once steadily employed, but were now living through months and even years without work. While talking with them I caught glimpses of what life was like for them, and of the corrosive effects of joblessness. I heard stories of families fragmented either because someone had moved to another city or another state to look for work, or because the stress of being unemployed had caused family frictions that led to a break. I heard about children who had dropped out of school activities and had stopped doing well in school. I sensed the tensions in these families, but I didn't fully understand the problems these families were facing. I didn't feel that I knew the full story. This hearing will provide one forum to hear that story.

Another reason for my keen interest in this particular hearing is that my wife Vicki is very much involved in prevention programs. From Select Committee testimony of the last year, I too have learned that prevention programs not only save human misery, but are cost-effective as well. Unemployment means lost wages; it may also mean lost opportunities for children and families to flourish. The more we understand the true human costs of unemployment, the more we will see the importance of working to prevent it.

Chairman MILLER. Congressman Rowland is here with us today; he represents Georgia.

STATEMENT OF HON. J. ROY ROWLAND, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF GEORGIA

Mr. ROWLAND. Thank you.

I'm very pleased to be here today, especially with you and the staff and my good friend and colleague Sander Levin, and also Mr. Conyers and Mr. Marriott.

Sander and I have grown to know each other fairly well, I think, here in the past year that we have served in the Congress; and he continues to be a very dedicated and hard working Congressman and represents all of you very well.

I come from Georgia, largely, the rural area; and we are having as much trouble in Georgia as here, that I represent with the problems. While the situation that brought the problems about may be different, the end result is still the same, so I am interested in being here to learn something about just what is taking place in this area. We do have problems all over the country and I look forward, with considerable anticipation, to hearing what you have to say here in the great State of Michigan.

Thank you.

Chairman MILLER. Thank you. Now we will hear from Congressman Conyers.

STATEMENT OF HON. JOHN CONYERS, JR., A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MICHIGAN

Mr. CONYERS. Thank you very much, Mr. Chairman.

I want to welcome you here in joining in with my colleagues and the Member whose district is adjacent to mine, Sander Levin, in welcoming you to Michigan.

This is an important subject and this is why I am glad that you let me join you, even though I am not a member of the committee. It is the first importance.

Back in 1978, the Congress passed the Humphrey-Hawkins Full Employment and Balance Due Act. The notion then, after 4 years of debate, was that if we could reduce unemployment by a percentage a year, telling in advance exactly what we were going to do fiscally in terms of programs, that we might get a handle on this a lot better.

Well, if a law was passed but never enforced; and now, of course, unemployment now runs at a rate double that across the country. Detroit has been hit because of the unilateral nature of our industry, so this hearing is important to me.

It suggests that we might still be able to take, from the experiences that we will hear here today from Detroiters, enough reality to the Federal legislators so that they will begin to shape some new ideas, some new lines of departure to deal with this subject.

We are in a serious crisis and I think the depth of it will be more fully examined here, and I am glad that you are here.

Thank you very much.

Chairman MILLER. Thank you.

Now, the first panel that the committee will hear from is made up of Mr. Charles Knapp, who is a volunteer with the Southeast Advisory Committee in Ferndale; Mr. John Morris, who is a coach-participant in the Ford-UAW National Development and Retraining Center in Dearborn; and Artie Morris-Vann, who will be accompanied by two youngsters, Dawn and Mignon.

Now, if you would like to come forward to the hearing table, we will welcome you to the hearing.

Welcome to the committee, and we will hear from you in the order in which I called your name.

Mr. Knapp, you can go first, and I want you to proceed in the manner in which you are more comfortable. If you have a prepared written statement, it will be included in the record in its entirety. If you want to summarize or add to it, please feel free to do so.

Thank you for your participation.

STATEMENT OF CHARLES KNAPP, VOLUNTEER, SOUTHEAST ADVISORY COMMITTEE, FERNDALE

Mr. KNAPP. My name is Charles Knapp. I am the father of two boys, Charlie and Tommy, ages 10 and 8 years old, respectively. I have worked since 1962 as a heavy duty truck mechanic, both diesel and gas. I have always made good money and live in a moderate neighborhood of blue-collar workers in Ferndale, MI.

In the fall of 1979, I was hurt at work in an accident, without workman's compensation; and later, around May of 1980, I was sent a lay-off notice and couldn't collect unemployment benefits due to my injuries.

The boys' mother went to work in a bar to help meet the bills. I took care of the house and took care of the boys, sending them off to school in the mornings, washing clothes, cooking, et cetera. I got to be a regular housemother, but not without paying a price.

Role reversals of this type seem to lower the male's self-esteem, as we are stereotyped into the role of the breadwinner.

I found myself withdrawing from all of my friends and acquaintances, as well as my family. To add insult to injury, bill collectors tend to play on your sense of responsibility and one makes himself feel guilty for the predicament that he is in.

Your friends and family insist on paying for luncheon engagements; they want to help, they send food and clothes and offer money. Your feelings are ambivalent; on the one side, your life is your family and friends; and on the other hand, you avoid them. You don't want pity or charity. Withdrawal is now complete, everything is hopeless; depression takes its toll also.

The home becomes a battleground. The minor skirmishes now become major encounters. The boys run for cover. Their mother begins to drink more and more. She refuses to come home until the wee hours of the morning. Reality hits home, we are going to need State help if we are to survive.

The wounds have healed, but the scars have left their indelible marks. Charlie my oldest boy, has told me, "When you were fighting, I just wished you and mama would have 'just shut up.' "

Charlie of whom I am both proud of and very sad for, as he has assumed the role of daddy and tries to take care of mama and Tommy. Tom has pent up his anger and went through bouts of combativeness and finds escape by staying away from home and away from his bossy brother, and a mother whom he constantly provokes and challenges her authority, the mother who is incapable of filling the basic emotional needs of the boys, due to her alcoholism.

Myself, after almost a year of counseling, have been able to pick up the pieces and find new direction and meaning in my life. I am still numbed by the feeling of helplessness of not being able to provide for my children properly, and the hopelessness of the children's home environment and lack of direction in their lives; numbed by the fact that I am losing my home and there is not a thing that I can do about it.

About 2 years ago, I started getting involved in community services in a volunteer capacity. I have done work in the Hilton Convalescent Home, delivered home-bound meals to the elderly; worked on surplus food distribution; directed people in need to the different human service agencies, as well as providing transportation.

I became acutely aware that my situation wasn't unique, to say the least. I have seen many businesses and homes in my area boarded up; people's furnishings out on the street. I have seen a lady dressed in rags, dirty faced, tears streaming down her face, thankful for a 5-pound block of cheese.

I know two families personally, one in Dearborn, with four families in one house. I call them the Brady Bunch. The basement level contains a daughter, her husband, and a 3-year-old. The main floor is the mother, another daughter and the baby. Upstairs, is the oldest daughter and her husband. Five people are working in this family, and they are barely keeping their heads above water.

The other family, in Oak Park, has had up to six adults and four children in a small single-level three-bedroom house.

I have seen the mentally impaired turned loose to fend for themselves. Two cases come to mind, both living in squalor and unkept. One was finally referred to Clinton Valley. The other lives alone in a house full of cats, that is so littered and smells of cat feces that it causes one to retch if you were to go inside of her house.

There is a happy and rewarding side to community work. It comes in reaching out to another human being and a touching of the hearts. In the last couple of years, I have been involved in several community groups. The Southeast Advisory Committee, of which I am a member, is a group of persons from Southeast Oakland County who act in an advisory capacity to the local community action agency, which is the Oakland Livingston Human Service Agency.

The group is made up of over 30 low-income persons and representatives of local organizations and agencies. They meet on a monthly basis to research and discuss the problems of how the low-income persons in the community can plan ways of fighting poverty.

The group acts as an advocate for the poor and is concerned with issues under the areas of health, education, transportation, employment, energy, and housing. Members of the advisory committee, in recent months, have attended local hearings and written letters in regard to several Federal, State, and local issues; a few examples of some of these issues are included.

Sending letters of support for Federal legislation, House bill, H.R. 1590; continuing and expanding the surplus commodity food distribution programs which supply supplemental food to low-income persons who have seen recent cuts in their grants and food stamps. Legislation was passed continuing the surplus commodity food program for 2 years.

Sending letters against a proposed amendment to State regulation No. 553, food establishments, which would have required expensive modifications of food co-ops which served the low-income person. Food co-ops were exempted from the amendment.

Attending local SEMTA hearings on proposed transportation reductions that would have affected the poor.

Attending local hearings on the effects of unemployment on the children of these unemployed families. Members provide the first-hand experiences of what the effects of unemployment have had on their children.

Sending letters and providing input into a variety of issues involving the use of community development funds, medical programs, such as Hill-Burton and prevention of utility rate increase and shut offs.

In addition to the advocacy role of the advisory committee, the group is involved in many local projects such as a continuing community guardian program which involves the low-income to grow and can their own food; thus, supplementing their diet. The establishment of local food and clothes closets to help those in need.

Volunteering our time to assist in the surplus commodity food distributions, Focus: Hope Program, energy assistance programs, and so forth. Promoting programs throughout workshops such as energy conservation, stress prevention for the unemployed, crime prevention for the elderly, and so forth.

These are just a few examples of the projects that the Southeast Advisory Committee is involved in. By getting together in a group situation, persons with similar problems can discuss ways of finding solutions to those problems. In addition, when you approach a problem as a group, there is a much better chance of making a real impact on the problem.

Chairman MILLER. Thank you, Mr. Knapp.

Mr. Morris.

[Prepared statement of Charles Knapp follows:]

PREPARED STATEMENT OF CHARLES KNAPP, VOLUNTEER, SOUTHEAST ADVISORY COMMITTEE, FERNDALE

My name is Charles Knapp; I am the father of two boys, Charlie and Tommy, ages ten and eight years respectively. I have worked since 1962 as a heavy duty truck mechanic both diesel and gas. I have always made good money and live in a moderate neighborhood of blue collar workers in Ferndale, Michigan.

In the fall of 1969 I was hurt at work in an accident without workman's compensation and later, around May of 1970, I was sent a lay off notice and couldn't collect unemployment benefits due to my injuries.

The boys' mother went to work in a bar to help meet the bills. I took care of the house and care of the boys, sending them off to school in the mornings, washing clothes, cooking, etc. I got to be a regular house mother; but not without paying a price; role reversals of this type seem to lower the male's self esteem (as we are stereotyped into the role of "bread winner".)

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To add insult to injury—bill collectors tend to play on your sense of responsibility and one makes himself feel guilty for the predicament that he is in. Your friends and family insist on paying for luncheon engagements; they want to help, they send food and clothes and offer money. Your feelings are ambivalent; on the one side your life is your family and friends, and on the other hand you avoid them, you don't want pity or charity. Withdrawal is now complete, everything is hopeless, depression takes its toll also.

The home becomes a battleground, the minor skirmishes now become major encounters. The boys run for cover, their mother begins to drink more and more, she refuses to come home until the wee hours of the morning. Reality hits home, we are going to need state help if we are to survive.

The wounds have healed but the scars have left their indelible marks. Charlie, my oldest boy, has told me, "When you were fighting, I just wished you and Mama would have just shut up." Charlie (of whom I am both proud of and very sad for), as he has assumed the role of daddy and tries to take care of momma and Tommy. Tom has pent up his anger and went through bouts of combativeness and finds

escape by staying away from home and away from his bossy brother and a mother whom he constantly provokes and challenges her authority. The mother who is incapable of filling the basic emotional needs of the boys due to her alcoholism.

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I became acutely aware that my situation wasn't unique to say the least. I have seen many businesses and homes in my area boarded up, people's furnishings out on the street. I have seen a lady dressed in rags, dirty faced, tears streaming down her face, thankful for a five pound block of cheese. I know two families personally; one in Dearborn with four families in one house, I call them the Brady Bunch, the basement level contains a daughter, her husband and three year old; the main floor is the mother, another daughter and baby; upstairs is the oldest daughter and her husband. Five people are working in this family and they are barely keeping their heads above water.

The other family in Oak Park has had up to six adults and four children in a small single level three bedroom house. I have seen the mentally impaired turned loose to fend for themselves. Two cases come to mind, both living in squalor and unkempt. One was finally referred to Clinton Valley, the other lives alone in a house full of cats that is so littered and smells of cat feces that it causes one to wretch if you were to go inside of her house.

There is a happy and rewarding side to community work, it comes in reaching out to another human being and a touching of the hearts. In the last couple of years I have been involved in several community groups. The Southeast Advisory Committee (SEAC), of which I am a member, is a group of persons from Southeast Oakland County who act in an advisory capacity to the local Community Action Agency which is the Oakland Livingston Human Service Agency (OLHSA). The group, which is made up of over 30 low income persons and representatives of local organizations and agencies, meets on a monthly basis to research and discuss the problems of the low income persons in the community and plan ways of fighting poverty. The group acts as an advocate for the poor and is concerned with issues under the areas of Health, Education, Transportation, Employment, Energy and Housing. Members of the advisory committee in recent months have attended local hearings and written letters in regards to several federal, state and local issues, a few examples of some of these issues include:

(1) Sending letter of support for federal legislation (House Bill H.R. 1590) continuing and expanding the surplus commodity food distribution programs which supplies supplemental food to low income persons who have seen recent cuts in their grants and food stamps. Legislation was passed continuing the surplus commodity food program for two years.

(2) Sending letters against a proposed amendment to state regulation No. 553 food establishments which would have required expensive modifications of food co-ops which serve the low income person. Food Co-ops were exempted from the amendment.

(3) Attending local SEMTA hearings on proposed transportation reductions that would have affected the poor.

(4) Attending local hearing on the effects of unemployment on the children of these unemployed families. Members provided first hand experiences of what the effects of unemployment have had on their children.

(5) Sending letters and providing input into a variety of issues involving the use of community development funds, medical programs such as Hill Burton, and prevention of utility rate increases and shut offs.

In addition to the advocacy role of the advisory committee, the group is involved in many local projects such as:

(1) A continuing community garden program which allows the low income to grow and can their own food, thus, supplementing their diet.

(2) The establishment of local food and clothes closets to help those in need.

(3) Volunteering our time to assist in the surplus commodity food distributions, Focus:Hope Program, energy assistance programs, etc.

(4) Promoting programs through workshops such as energy conservation, stress prevention for the unemployed, crime prevention for the elderly, etc.

These are just a few examples of the projects that the Southeast Advisory Committee is involved in.

By getting together in a group situation, persons with similar problems can discuss ways of finding solutions to those problems. In addition, when you approach a problem as a group, there is a much better chance of making a real impact on the problem.

STATEMENT OF JOHN MORRIS, FORMER UNEMPLOYED AUTO WORKER; PARTICIPANT COACH, FORD/UAW NATIONAL DEVELOPMENT AND RETRAINING CENTER, DEARBORN

Mr. MORRIS. My name is John Morris. Until Monday of last week, I was a laid-off auto worker. I am currently employed by the UAW and Ford Motor Co. assisting laid-off employees. My job is largely due to the efforts as a volunteer, helping fellow former workers cope with unemployment.

Of the 5 years that I have been employed with Ford, 3 years were spent in unemployment lines. This is not to suggest improper behavior on the part of the company. It is, however, a statement of fact that can be echoed by thousands of Americans caught between the high technology, slumping consumer demands, global marketing strategy, and corporate competition, unparalleled in American history.

During my most recent layoff, I was asked to join a project assisting fellow employees through local 600 of the United Auto Workers Union.

I did so with some reluctance. My unemployment benefits my wife, who was our sole support, that rather than to continue looking for a job, I was going to volunteer my time to helping the unemployed. I learned later that by sharing my fears, uncertainties and pain with those whom I would help, I, in fact, would help myself.

At UAW, local 600, the problems of the displaced auto workers was met head on, mainly due to the vast number of workers that had lost their jobs. The greatest impact of job loss, particularly for those who are long-term unemployed, is a loss of confidence and feeling of usefulness.

The financial stress of mortgage payments that cannot be met, automobiles being repossessed, and the pressure of not being able to provide the basic necessities of life, brings on the pressures that many times result in alcohol or substance abuse.

Personality changes and violent behavior are not uncommon. The loss of economic freedom and the lack of skills required to reenter the labor market are barriers that are extremely difficult to overcome.

One of our center volunteers, a Mr. Hemingway, documents the story of a Ms. Y who was married and had two daughters. When the marriage failed and ended in divorce, Ms. Y. turned to social services for survival.

For her, it was a degrading experience and she detested it. During the boom years of the auto industry in the middle of the 1970's, she was able to land a job at an auto company and get off the social services' rolls. The job afforded her the opportunity to purchase a home, buy a car, and give her daughters some of the things she could not while she was on welfare.

When the bottom fell out of the industry, she survived on unemployment benefits and subpay until they had been exhausted; and the fact that she would have to go back on social services to survive was something that she dreaded.

One night in December of 1982, deeply depressed by her situation, Ms. Y. telephoned her mother and said that she was sending her daughters over in a cab. Her father asked the mother who it was calling at that hour. When he learned that it was their daughter, he thought that something was wrong and decided to go and see about her. By the time he arrived at his daughter's home, she was dead from a gunshot wound to the head.

Another instance involved a laid-off Polish immigrant who had come to the center for help. He had been in the United States for a short time and was employed at one of the major auto companies. After he was laid off and had exhausted all of his benefits, he was only allowed a small amount of aid from social services because of a part-time job his wife held.

He spoke broken English and had brought his daughter to act as his interpreter. She related that her father wanted to work and could not understand why he had been laid off. He had papers to prove that he was a certified journeyman in a number of different trades and proof of his education in Poland.

The daughter related that since her mother was working part-time, the social service office would only allow the family a partial allotment of food stamps per month.

I informed them that we had an emergency food program setup and that they were welcome to it, and that they could share canned goods donated by hourly employees. When the father learned this, he broke down and began crying profusely and kept thanking me over and over.

I told him it wasn't necessary and that he was welcome. He had come to this country from his native Poland for the economic freedom and prosperity that he thought was allowed everyone who was willing to work. His limited ability to speak and understand our language, and the complexity of our economy compounded the problems he faced being laid off. He related to me over and over, 'All I want to do is work. How come I cannot?'

The two previous instances are not meant to give the impression that most auto workers resort to suicide once they lose their jobs. Nor that their backgrounds are such that becoming productive citizens again is impossible. Thanks to the direction of James Settles, Jr., a local 600 staff member assigned to head the project, over 2,000 participants have been helped in one or more of the following areas: social service referrals, emergency food programs, mortgage programs, crisis counseling, financial aid seminars, substance abuse programs, peer counseling.

The center was staffed by volunteers who had been trained by different social agencies in providing assistance to the unemployed. To receive this training, a series of 1-day workshops were held at local 600 by different agencies.

Some of the agencies that have provided this help were the Department of Social Services, the Salvation Army, Trade Union Leadership Council, Six Area Coalition, Welfare Rights Organization, Wayne State University, and the University of Michigan.

Without the cooperation and concern of these other agencies, the outreach and assistance we provided to our membership would have been impossible.

Thank you.

Chairman MILLER. Ms. Morris-Vann.

[Prepared statement of John Morris follows:]

PREPARED STATEMENT OF JOHN MORRIS, FORMER UNEMPLOYED AUTOWORKER; PARTICIPANT COACH FORD/UAW NATIONAL DEVELOPMENT AND RETRAINING CENTER, DEARBORN

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During my most recent lay off, I was asked to join a project assisting fellow employees through Local 600 of the United Auto Workers Union. I did so with some reluctance. My unemployment benefits had been exhausted, and there were three good reasons (my sons, Micheal, Ryan and Christen), not to come home and tell my wife, who was our sole support, but rather than to continue looking for a job, I was going to volunteer my time helping the unemployed. I learned later that by sharing my fears, uncertainties, and pain with those whom I would help, I in fact would help myself.

At U.A.W. Local 600, the problems of displaced auto workers was met head on, mainly due to the vast numbers of workers that had lost their jobs. The greatest impact of job loss, particularly for these who are long term unemployed, is a loss of confidence and the feeling of usefulness. The financial stress of mortgage payments that cannot be met, automobiles being repossessed, and the pressure of not being able to provide the basic necessities of life brings on depression that many times results in alcohol or substance abuse. Personality changes and violent behavior are not uncommon. The loss of economic freedom and the lack of skills required to re-enter the labor market, are barriers that are extremely difficult to overcome. One volunteer, a Mr. Hemingway, documents the story of a Ms. Y who was married and had two daughters. When the marriage failed and ended in divorce, Ms. Y turned to Social Services for survival. For her, it was a degrading experience and she detested it. During the boom years of the auto industry in the middle 1970's she was able to land a job at an auto company, and get off the social services rolls. The job afforded her the opportunity to purchase a home, buy a car, and to give her daughters some of the things she could not while she was on welfare. When the bottom fell out of the industry, she survived on unemployment benefits and sub-pay until they had been exhausted, and the fact that she would have to go back on social services to survive was something that she dreaded. One night in December of 1982, deeply depressed about her situation, Ms. Y telephoned her mother and said that she was sending her daughters over in a cab. Her father asked the mother who it was calling at that hour. When he learned that it was their daughter he thought that something was wrong and decided to go and see about her. By the time he arrived at his daughter's home, she was dead from a gunshot wound to the head.

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that he was welcome. He had come to this country from his native Poland for the economic freedom and prosperity that he thought was allowed to everyone who was willing to work. His limited ability to speak and understand our language and the complexity of our economy compounded the problems he faced being laid off. He related to me over and over "All I want to do is work, how come I can not?"

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The center was staffed by volunteers who had been trained by different social agencies in providing assistance to the unemployed. To receive this training a series of one day workshops were held at Local 600 by different agencies. Some of the agencies that have provided this help were the Department of Social Services, The Salvation Army, Trade Union Leadership Council, Six Area Coalition, Welfare Rights Organization, Wayne State University, and the University of Michigan.

Without the co-operation and concern of these and other agencies, the outreach and assistance we provided to our membership would have been impossible.

STATEMENT OF ARTIE MORRIS-VANN, PH.D., ELEMENTARY GUIDANCE COUNSELOR, DETROIT PUBLIC SCHOOLS

Dr. MORRIS-VANN. I am Dr. Artie Morris-Vann, an elementary guidance counselor for Detroit Public Schools in Detroit, MI.

I am going to share with you this morning some of my observations of the children of the unemployed, as I see them in a school setting. In mid-1979, I began receiving an increasing number of referrals from classroom teachers. The classroom teachers reported that suddenly students were beginning to daydream; some were becoming more aggressive, some were coming to school crying in the morning. Teachers also reported that students' grades were declining—"A" students were falling to "C" students; some were even failing. It was really by accident that I discovered that students' parents had recently become unemployed.

Basically, this discovery resulted from my initial interview with the students.

As I counseled the students, I sought guidance counseling related material, that would help me meet their needs.

At that particular time, I was unable to find not only guidance-related materials, but I was unable to find any research or articles that dealt with the effects of unemployment on children. So, essentially, what I did, after I was unsuccessful in locating these materials, I involved the students in writing stories and poems about things that had happened in their own families. What resulted was a story that we entitled "My Dad is Unemployed, but it is Not The End of The World."

Students say they experience a great deal of confusion resulting from parental unemployment. One example might be the little girl who came to school and told us that one day her father came home from work and was crying. The father asked the mother to come into another room and the child overheard their conversation.

The father was using these new words that she had never heard of before: "Unemployed, and laid-off." This was in 1979.

These were really not a part of her regular vocabulary. This little girl tried to understand what exactly was going on. She knew it had to be something really traumatic or awful because of her fa-

ther's tears. She tried to obtain information from her older brother who was in middle school, in terms of what these new words meant. He kind of stumbled through and tried to explain what the words were, but she really didn't understand. She told the group that she did not develop any insight into these new words until one day she was in her homeroom classroom and her class was having a current events discussion. At some point, someone clarified what these words actually meant.

A number of students experience a tremendous amount of guilt when they find things that are going on in their homes that were not the usual. They somehow blame themselves.

An example of this could be possibly a little girl whose mother bought her some designer jeans because she wanted them, and when the father found out, he really got angry. An argument followed that and, somehow, in her little mind, every argument after that point she believed was her fault.

It was, again, not until she was involved in the counseling process that she soon discovered or developed the insight that's necessary to understand that the parents were having problems before the mother ever bought the jeans and, really, they may have argued about the jeans at that particular point, but the rest of the arguments really were not her fault.

Students have a number of fears. Probably the greatest fear that I have observed is that associated with their families' furniture being set out on the street; and that is because the students can go through their neighborhood and see people's belongings actually being put out on curbs. People come along in vans, or just walking, and take people's possessions that they have accumulated over an entire lifetime—this is really traumatic for the kids.

They are concerned about lack of food, lack of clothing; they really feel embarrassed when the other kids at school laugh at them because their clothes are too small and too short. They are really concerned about the family having to sell the family's home, the family's car, and other possessions.

I even had one child who talked about how she stayed up all night trying to calculate with a calculator how they were going to pay the bills. She, evidently, knew how much money was coming in, and how much needed to go out, and she was trying to help the family solve their financial problems.

Another child talked about the time that she stepped on a nail and needed medical care, and the family was not able to take her to the doctor.

The students have said what has helped most is having an opportunity to talk with other students who are having similar problems. It has helped them understand that they are not alone. Group counseling has helped them understand that what is happening in the home is not their fault. I think that is very important.

One of the techniques that I use with the students in a group is the technique called bibliotherapy, which is, basically, guidance through reading. A story book is read and discussed that deals with the same problems that the child is experiencing. I try to get the kids to identify with the story-book character, and discuss how his

or her family is similar or different from the story-book character's family.

I brought this morning with me two of the students that I have worked with. I have worked with Mignon about 3 years. Dawn, I started working with last year. Both are 10 years old and in the fifth grade.

Before I introduce them, I just want to add that when Dawn came to me last year, she was an example of a child who came to school crying, and her classroom teacher sent her to me because she was very upset.

As she looked at a book about unemployment, Dawn's response was, "This is like my whole life story in this book."

Now, I am going to let Mignon proceed first.

Mignon.

[Prepared statement of Dr. Artie Morris-Vann follows:]

PREPARED STATEMENT OF DR. ARTIE MORRIS-VANN, PH.D., AN ELEMENTARY GUIDANCE COUNSELOR FOR DETROIT PUBLIC SCHOOLS

I am Dr. Artie Morris-Vann an elementary guidance counselor for Detroit Public Schools. I am certainly pleased to be here this morning to share with you my observations on the impact of parental unemployment on children. I will, in addition, share with you techniques I utilize with the children in the school setting. You may be interested in knowing that there are approximately ninety-five elementary guidance counselors in Detroit who share some of my observations and utilize similar guidance and counseling techniques.

In mid 1979 I observed an increasing number of students being referred by their classroom teachers for counseling services. Teachers reported student's attitudes and behavior seemed to change overnight. They observed students daydreaming, becoming aggressive, having sudden mood changes, and having a lot of nervous energy. Some students came to school crying. Others were observed crying during the school day. Some teachers reported a sudden decline in academic performance—former "A" students were receiving "C" on tests. While some failed because of daydreaming, others seemed to throw themselves totally into their school work seemingly trying to forget their problems. During initial individual interviews with these newly referred counselees I suddenly realized there was a common thread in their stories—one parent or in many instances both parents had recently become unemployed. Out of concern for these students I searched for articles, research and guidance related materials on the topic of unemployment as it related to children. I found nothing available that concerned the children of the unemployed. Since materials were not available, I developed my own resulting in the storybook "My Dad is Unemployed—but It's Not the End of the World" and an accompanying group counseling guide. I wove together in the storybook the stories the students shared with me during counseling sessions.

Often because of lack of communication children experience a great deal of confusion. A fourth grade student, Tasha, was totally confused by the word "unemployed". She told how one day her father came home with tears in his eyes and called her mother upstairs to talk. Tasha overheard the conversation but did not understand the words her father used—"unemployed" and "laid-off"—these were words she had never heard before. Although she was confused she knew something was wrong because her father was crying. Her older brother tried to explain these new words to her but she still did not understand. It was not until many weeks later that she developed insight through participation in a current events lesson where unemployment was being discussed. Tasha's confusion was shared by many children.

Multiple impacts result from parental unemployment. Many experienced feelings of guilt. Ann told about the time her mother bought the designer jeans she wanted and when her father found out a violent argument followed. Ann believed that every subsequent argument was her fault. The insight she gained through group counseling helped her realize she was not at fault. Mark believed he had caused his father to become unemployed because the day he was laid-off the two of them had argued. Mark just assumed his father was in such a bad mood when he arrived at work that the boss fired him.

Children have many fears associated with unemployment. Having their furniture set out on the street appears to be the greatest concern and worry of many children. Some tell of seeing first hand friends and neighbors being evicted, their possessions being set on the curb and strangers taking whatever they want from the pile of furniture, clothing, toys etc. They worry about wearing ragged clothing and other children laughing at them. They worry about starving because they will not have money when unemployment benefits run out. They worry about selling such items as their home and cars.

Many children tell of frequent arguments and worries about money. A fifth grade child told how she did not get any sleep one night because she stayed awake trying to calculate how the family could pay their bills. Another child told about the time she stepped on a nail and needed to go to the doctor but the family could not afford to take her for the medical care she needed. Ridicule is always a concern to the students. Other children would laugh at their clothes which were too small. Some are very self conscious about wearing previously owned clothing. Embarrassment is a common concern too. The children often do not want anyone to know their parents are no longer working. One parent told me how her child begged her to let him have peanut butter sandwiches everyday rather than have to apply for a free lunch. Loneliness is experienced by many. The students often withdraw from associating with peers because they don't want to be invited to go with them to places that cost money—the movies, skating etc. Children talk about how they feel bad having to lie or make up excuses for not being able to go places with friends.

Students have said what has helped them most was having someone to talk to, having someone listen to them, and having someone who understood their concerns and problems. They discovered other children shared their worries and concerns. They found many of the same things happening in other children's homes were happening in their home.

Students participate in bibliotherapy—guidance through reading. They read and discuss the book "My Dad Is Unemployed—but It's Not the End of the World." The discussion focuses first on the storybook character—his feelings, thoughts, actions etc. Next, the child is encouraged to verbalize his/her own feelings about the character and identify similar incidents drawn from the child's experience. Students also participate in a series of values clarification based activities which focus on security, acceptance, responsibility, decision making and problem solving. Activities involve writing, role playing, relaxation, drawing etc. I believe this program has been effective. It has helped kids cope, offered them hope and believe it's not the end of the world.

I have brought with me to this hearing two of my students who are affected by parental unemployment. They will tell you how they feel about unemployment, how their families have been affected and how they have coped. First you will meet Mignon Temple. Next you will meet Dawn Davidson. Both are fifth grade students at Carver School.

STATEMENT BY MIGNON TEMPLE, FIFTH GRADE STUDENT

Ms. TEMPLE. Good morning, My name is Mignon Temple. I am in the fifth grade at Carver Elementary School. I would like to share with you information on how unemployment affected me.

I can remember when I could have anything I wanted. I could have new clothes and shoes to match. Then my father was laid off from Chrysler where he was a press operator, but it really didn't affect me because it was fine having him home with us. He was only laid off for a short time.

After my father went back to work, it was only a short time before he was laid off again. At first, my father had unemployment money coming in; but one day it stopped. My mother was still working and my father was babysitting. One day we were all sitting at the dinner table and my father started crying.

I asked my mother what was wrong with my father and she told me that he was upset because he wasn't able to do for us like he did when he was working and because he felt less of a man.

My mother was working and it happened again. He was on the porch crying and couldn't stop. Then he went into the hospital for a long time. My mother told us that he had a nervous breakdown.

I didn't understand this kind of illness. This is when unemployment started affecting me. I began daydreaming in class, not paying attention, and my grades started slipping.

I was evil at home and school. The school contacted my mother and she talked to Doctor Vann. Doctor Vann said that she was going to get a group of children that had the same problems that I did. At first, I just sat in the counseling group, just listening to everyone because I didn't believe that anyone else was going through the same thing I was.

We began talking and helping one another. We were discussing the things that we can do as a family without paying any money.

It helped us express feelings. We read books about unemployment and how it wasn't the end of the world being unemployed. We talked about how we should have family discussions and not be afraid to talk to our parents.

The counseling group and the books really helped me to understand that children can have the same problems that adults go through. My family and I were looking at television and the people were talking about unemployment and how it changed their eating habits; how they had to go from steaks to spaghetti.

I was thinking to myself, "What will the people eat who already eat spaghetti?" I am glad to know that you are concerned about the effects of unemployment on families.

Thank you for letting me come to this hearing and share a part of my life with you.

Chairman MILLER. Dawn Davidson?

[Prepared statement of Mignon Temple follows:]

PREPARED STATEMENT OF MIGNON TEMPLE, FIFTH GRADE STUDENT AT CARVER ELEMENTARY SCHOOL

Good morning, my name is Mignon Temple. I'm in the 5th grade at Carver Elementary School. I would like to share with you information on how unemployment effected me.

I can remember when I could have anything I wanted. I could have new clothes, and shoes to match. Then my father was laid off from Chrysler, where he was a press-operator, but it really didn't effect me because it was fun having him home with us. And he was only laid off for a short time. After my father went back to work, it was only a short time before he was laid off again. At first, my father had unemployment money coming in, but one day it stopped. My mother was still working, and my father was babysitting. One day we were all sitting at the dinner table and my father started crying. I asked my mother, what was wrong with my father, and she told me that he was upset because he wasn't able to do for us like he did when he was working, and because he felt less of a man. My mother was working and it happened again. He was on the porch crying, and couldn't stop. Then he went in the hospital for a long time. My mother told us that he had a nervous breakdown. I didn't understand this kind of illness. This is when unemployment started effecting me. I began daydreaming in class, not paying attention, and my grades started slipping. I was evil at home and school. The school contacted my mother and she talked to Dr. Vann. Dr. Vann said that she was going to get a group of children that had the same problems I did. At first I just sat in the counseling group, just listening to everyone because I didn't believe that anyone else was going through the same thing I was. We began talking and helping one another. We were discussing things that we can do as a family without paying any money. It helped us express our feelings. We read books about unemployment, and how it wasn't the end of the world being unemployed, we talked about how we should have family discussions and not to be afraid to talk to our parents. The counseling group and books

really helped me to understand that children can have the same problems that adults go through. My family and I were looking at television and people were talking about unemployment, and how it changed their eating habits, how they had to go from steak to spaghetti. I was thinking to myself what will the people eat who eat spaghetti? I am glad to know you are concerned about the effects of unemployment on families. Thank you for letting me come to this hearing and share a part of my life with you.

STATEMENT OF DAWN, FIFTH GRADE STUDENT

DAWN. My name is Dawn. I am 10 years old and in the fifth grade. My dad used to have a job installing sprinklers in big buildings and stores. He had been working for the same company for over 4 years before he was laid off the first time.

He was laid off twice before being called back. He has been laid off now for more than 2 years. I used to think that I caused problems for my family. My parents always argued, gave me dirty looks, ignored me and yelled at me. I felt embarrassed and angry because I couldn't go skating because I didn't have enough money.

I didn't want my friends to know I was poor so I told them I hadn't gotten my allowance yet. I spent a lot of time thinking about my problems. My grades went down and I was grounded for 2 months.

Kids at school laughed at my clothes and because I got free lunch. I feel real bad.

Before my dad lost his job, we were like one big happy family. After he lost his job, he started sleeping all day, arguing and staying out at the bar all night.

My parents got a divorce last September. On Halloween, they argued and were drunk. My mom ended up in the hospital with two black eyes and a concussion.

I am glad that I have people to talk to about my problems. I feel better even though I still feel sad, mad, and angry sometimes. I think and hope that things will get better for me and my family one day.

Thank you for inviting me to this meeting.

Mr. MILLER. Thank you very much for your testimony, to all of the panelists and to Mignon and Dawn, especially.

Thank you for sharing your thoughts with us.

Congressman Levin?

[Prepared statement of Dawn follows:]

PREPARED STATEMENT OF DAWN, FIFTH GRADE STUDENT AT CARVER ELEMENTARY SCHOOL

My name is Dawn.

I am ten years old and in the fifth grade. My dad used to have a job installing sprinkers on big buildings and stores. He had been working for the same company for over four years before he was laid off the first time. He was laid off twice before being called back. He has been laid off now for more than two years. I used to think I caused problems for my family. My parent always argued, gave me dirty looks, ignored me and yelled at me. I felt embarassed and angry because I couldn't go skating because I didn't have enough money. I didn't want my friends to know. I was poor so I told them I hadn't gotten my allowance yet. I spent a lot of time thinking about my problems. My grades went down and I was grounded for two months. Kids at school laughed at my clothes and because I get free lunch. I feel real bad.

Before my dad lost his job we were like one big happy family. After he lost his job he started sleeping all day, arguing and staying out at the bar all night. On Halloween they argued and were drunk. My mom ended up in the hospital with two black

eyes and a concussion. I'm glad I have people to talk to about my problems. I feel better even though I still feel sad, mad and angry sometimes. I think and hope things will get better for me and my family one day.

Thank you for inviting me to this meeting.

Mr. LEVIN. Thank you very much for the testimony. Doctor Morris-Vann, your testimony gave some of the overview of your experiences. Let me ask you if I might, I understand the testimony from Dawn and from Mignon was put together by themselves on their own. Now how typical or atypical is their set of experiences within your experience?

Dr. MORRIS-VAN. Well, their experiences are pretty much typical. But I have basically found that the families who are going through unemployment have basically the same reactions. There is a lot of arguing and interpersonal relationships just start shattering; students take on a lot of guilt feelings. I would say that they are really typical, because as I listen to their problems, the stories sound pretty much the same.

Chairman MILLER. Mr. Morris, you gave us the benefit of the experiences of others and I just wondered if you might, for a moment, draw upon your own experiences. If you feel like doing so. I think, they apparently motivated you to try to help others. Was this because of the severe impact of unemployment on your own life, in terms of aspirations in terms of your own hopes, and so forth?

Mr. MORRIS. I think they were extentions of those hopes. I had been in unemployment lines for the full 26 weeks.

Chairman MILLER. Why don't you move the microphone.

Mr. MORRIS. OK.

Now, the first time I was laid off—I began my employment in April 1978. I worked for 13 months and I was laid off sometime in May, I think, of 1979.

I went through the full 26 weeks of regular unemployment, as well as the extensions, and I guess it was feelings of hopelessness and standing in those unemployment lines and feeling like, feeling guilty, feeling that for some reason I was responsible, at least, in part, for my being there.

And the second time that I was laid off, there were no mechanisms in place, neither at the company level nor at the union level, to assist people who were losing their jobs.

It was apparent the second time that we were laid off that it was going to be a very long term of layoffs. And I remember turning on my television set, I think, President Reagan at that time was holding up a Washington Post paper and stated something to the effect that there are thousands of jobs out there, just thousands of jobs; and I remember feeling like I was in a vacuum. It was almost as if I were in another planet because the total opposite of that was true, but not only for me and my family, but my friends, and the people that I worked with at the plant.

I just felt that it was incumbent upon me to take the position of doing something. I guess that is why I went on into the work that I did.

Chairman MILLER. Thank you very much.

Mr. Marriott?

Mr. MARRIOTT. I want to congratulate the children for doing an excellent job of coming before this committee.

I want to ask one question of Mr. Morris, and that is that there is a lot of speculation that there are jobs out there.

During the 26 weeks, plus the extension time that you were receiving some benefits, can you give us some idea of what problems you encountered? I mean, you were with the automobile business, and I assume that you were seeking employment outside of automobiles, looking for anything that you could possibly find to sustain your family. What was the marketplace like out there, roughly?

Mr. MORRIS. Well, it was very tight. I keep hearing things like although Detroit, this metropolitan area is the manufacturing Orient, that there is still lots of jobs in the service sector. I found that not to be necessarily true.

The point was that I didn't have the—I spent the 5 years at Ford Motor Co. working with my hands; and I don't think that I had the interpersonal skills. First of all, I did not have a good grasp of what the hidden labor market was like. I didn't know the difference between reciprocal and frictional layoffs. I didn't know how to go about seeking a job in a professional manner. I didn't have interviewing skills. I didn't know much about résumés and things of that nature.

So I was totally ill equipped to even go out, first of all, to begin looking for a job. When I did, I did it in a traditional fashion of, I guess, the old shotgun approach of going out and just throwing out résumés at random. And, God, I don't know how many résumés I submitted, but I was not successful in finding a job.

My understanding was that the unemployment money that I had been receiving was supposed to supplement me while I was out looking for a job, but none of the things that were required to help me find a job were given to me by the MESC offices.

Mr. MARRIOTT. I wonder if maybe you could also comment on this. We have a lot of people who write us letters and say that "We cannot understand, we look in the newspapers and there are all of these want ads, day in and day out, in the newspapers."

Do you have any feeling about the nature of these jobs—are they what they are cracked up to be? Did you look in that area; and, if so, what is the bottom line on the so-called want ads in the newspapers?

Mr. MORRIS. Well, my experience was that many of the want ads required specific skills. It would be necessary for me to retrain. I have some college, but not enough college for the ads that were listed. It would be necessary for me to retrain, maybe spend as much as 2 or 3 additional years retraining, particularly in the engineering field, because I felt that that might be an extension of the work that I do in the auto industry.

But the whole point for me was that, for instance, we have what, we have TVR's in the center, target vocational retraining, designed to—they are accelerated programs of when people go into these programs, they can go in and acquire the skills they need; and then, there is a placement process after the training.

The problem is that for a person who has made, say, $10 an hour in the auto industry, to go into the private sector, to go into the service sector, making less than half of what he made as an auto worker, his problems are not over, they are just beginning.

Particularly, if they are like me—I have three sons, with one on the way. It is impossible to support a family on the kinds of wages that we are talking about entering the job market at.

Mr. MARRIOTT. Just one last question. My time is up, but were there many people out there that you had experience with that would not take available jobs at much lower pay than they had been expecting and, therefore, they would not take work if the pay was not at a certain level, or did you find people willing to take jobs at any pay level and then try to improve from there?

Mr. MORRIS. Absolutely. When your back is against the wall, we are talking about—some people, some of the people that I worked with, long-term layoff people, that have exhausted all of their benefits, some were on welfare, some were not; but when your back is against the wall, even though you know that job is not going to afford you the bare minimums in terms of being able to support your family, you go on and take the job anyway.

Mr. MARRIOTT. One last question, Mr. Chairman. I would like to continue this line of questioning.

What is wrong with the present system? If you were to make one recommendation as to what we need to do to assist the unemployed, where would you come from?

Mr. MORRIS. Well, first of all, I am not even a paraprofessional, and I am not going to sit here and contend that I have expertise in this. I am a laid-off auto worker, but I would think that unless there is some sort of a national industrial program or agenda to address the issue of unemployment at the national level in terms of imports and exports, keeping jobs here in this country—and I don't see any of the present candidates doing that.

But unless there is something done in terms of a national industrial program to help us, I just don't see anything coming out of this.

Mr. MARRIOTT. Thank you very much.

Chairman MILLER. Mr. Rowland?

Mr. ROWLAND. I am just interested in your medical care after you were laid off. While you are working, you have hospitalization insurance, but once you lose your job and your benefits are exhausted, what type of access do you have to medical care? How is it provided for you?

Mr. MORRIS. Well, I can respond to that, first of all, by saying that my wife held a job the entire time that I was laid off; so, in that respect, I do not represent the typically unemployed. She had an insurance policy or an insurance program on her job; and as a consequence, we were able to afford medical care.

At the Center, we refer people to the Hill-Burton Program. Blue Cross-Blue Shield has just set up a very new program to assist people who are not able to secure any other kind of medical care assistance.

Chairman MILLER. Mr. Knapp, what is your situation?

Mr. KNAPP. Oh, my situation, I had to depend on Hill-Burton one time for one of my boys. Myself, right now, I am on general assistance. The boys' mother, she is on ADC; and, of course, she had medicaid. That sort of helps their problem.

But prior to getting any State aid, I had gone to see about Hill-Burton after my insurance had been cancelled, then, of course, you

get your dunning letters that come through the mail when you are unemployed, there is not too much that anybody can do about it.

Mr. ROWLAND. Mr. Chairman, without taking up too much time, I would like to know a little bit more about Hill-Burton. How does that provide care?

Mr. KNAPP. Hill-Burton, as I understand it—I had gone to Beaumont Hospital, which is in Royal Oak, a suburb of Detroit. The Federal Government, some years back, had lent the hospital institutions a lot of money to build, a large facility; and the stipulation was that in order to pay this back, they would provide free services to people that were in need in the community, or discount the services, and they would do this over a 10-year period.

Of course, Beaumont, I believe, all of their funds have been exhausted up to this point and I believe they are past their 10-year period and there are no other funds available. I am sure that there are other Hill-Burton Programs that I am not aware of. I am not aware of any particular ones.

Mr. ROWLAND. Well, where do you go for your medical care if all of that is exhausted? Are there clinics here and hospitals that provide that care?

Mr. KNAPP. Well, right. There were clinics up in my area that are annexed to the larger hospitals; in this case, it would be Beaumont. They have, I think, a couple of clinics. That I am aware of—the boys are down in Detroit with their mother. There are some clinics that are set up, but I think they are private; I am not sure, but they do accept medicaid and medicare and different programs like that.

Mr. ROWLAND. Thank you, Mr. Chairman.

Chairman MILLER. Mr. Conyers?

Mr. CONYERS. Mr. Chairman, I want to especially thank Dawn and Mignon as expert witnesses, starting out at 10 years old.

This is a heart-rendering story that is being told us of what is happening here. I am worried about the resources that allowed you, Dr. Morris-Vann, to continue your work, and whether they are going to continue to be forthcoming.

And from John Morris, I am interested in hearing about how the United Automobile Workers, local 600, being so large, can probably provide these extra resources.

I am wondering about other unions and even smaller locals, if you can tell me whether you think those kinds of services will continue to come forward. I would like to hear about that.

Dr. MORRIS-VANN. The elementary school guidance and counseling program is funded through the 1987–88 school year. I intend to continue my program as long as I have my present position.

Mr. CONYERS. Well, is there a program that is being contemplated to be reduced or enlarged or changed in any way?

Dr. MORRIS-VANN. No, not to my knowledge. As far as I know, we are supposed to be funded through the 1987–88 school year.

Mr. CONYERS. Now, do you need more people doing the kind of work that you are doing?

Dr. MORRIS-VANN. Yes, I really feel we do. Even in Detroit, when I first started out as an elementary guidance counselor, I was assigned to one school where I had to serve approximately 750 students. About 3 years ago, it was decided they wanted elementary

counselors at every school; so they assigned most counselors to two schools.

So now I know I have a population at 1 school now, around 500; and the other at 520. So I know that I could be more effective if I was at one school full time.

Mr. CONYERS. Well, is the need of your service increasing, or are there more students that need the kind of help that you are providing?

Dr. MORRIS-VANN. Well, at my particular schools the unemployment rate has leveled off. It is really about the same, I would say, as it was last year.

Mr. CONYERS. Thank you.

Mr. MORRIS. In May of 1982, the UAW and Ford Motor Co. sat down, and because of the UAW's concern about it, about the large number of people that were being laid off in the industry, it was agreed upon that 5 cents of every active hourly employee's wages would be earmarked for a fund to assist the unemployed.

Currently, as I mentioned in my testimony, I currently am working for the UAW at Ford National Development Training Center. We are starting to implement programs as a result of money that was funded through the 5 cents an hour to do basically the same kind of things that we did through local 600.

I might also add that money was matched by Job Training Partnership Act funds through the State. Ford Motor Co. and the UAW are opening three retraining assistance centers; one in Macomb, one in Detroit, and one in Washtenaw. The center in Macomb is scheduled to open, as a matter of fact, this morning. The one in Detroit will open, I think, the 24th of this month, and the one in Washtenaw, sometime later.

Now, through those centers, the UAW employed particularly Ford employees, a laid-off employee will be able to go into those centers and receive basically the same kinds of assistance referrals to other agencies, private agencies, depending upon their particular needs.

We are also operating what we call TVR's, again, which is target vocational retraining; and if a laid-off employee wants to go to school, he can do so through the program, a program called Neverapp [phonetic], which is a retraining assistance program, and receive x number of dollars and retraining assistance money, depending upon their seniority.

Mr. CONYERS. Well, I want to thank you.

It occurs to me, Mr. Chairman, that we are building up, necessarily, a large substructure of assistance programs to help people through this crisis of unemployment; and that—I suppose that when we go back, we are examining not only the validity of the program, but the necessity of the programs.

So what we are trying to do, it seems to me, is maintain what is going on and help it in every way that we can, but in addition, move toward as near a full employment society as possible.

I felt that the right to a job is something that ought to be provided for every American that wants to work at their fullest talents; and so, I am looking at this from two points of view: one in which we keep things—we keep the assistance forthcoming—but that we also try to figure out how to decrease unemployment.

Otherwise, we become a permanent society with built-in assistance for taking care of all of the people. That, we don't need. Now, that is another problem, a huge one, that Chairman Miller has addressed a number of times across the years with me, and I will appreciate your reaction to that.

Yes, Mr. Morris?

Mr. MORRIS. Well, I would like to add that the problem that I see in terms of this retraining, No. 1, that most of our retraining efforts are geared toward the service sector. And the impression that I get is that it is almost like trying to pour salt into a glass of water. I mean, after the salt has reached a certain level, it is going to remain in solution as only so much salt that you are going to be able to pour into that water. And by directing our membership to the service sector, what I am saying is that at that particular area, there are only so many service-oriented jobs.

No. 2 is that while they are receiving this retraining, there are no stipends—there is nothing in place to support these people while they are going through the training. They have families; they have things that—responsibilities that have to be met. The biggest cost for the nutrition rate of our program is that these people don't have those support mechanisms in place and it is difficult to train, to study when you are worried about your gas being cut off and how your children are going to eat.

Mr. CONYERS. Well, so there is a small subsidy of it being critical to keep everybody in the training program?

Mr. MORRIS. Absolutely.

Mr. CONYERS. Thank you very much, Mr. Morris.

Chairman MILLER. Mr. Morris, one of the problems that you have raised regarding retraining, especially in retraining for the service sector—where the jobs may pay half or a third of what a long-term employee might be making in heavy industry seems to be that with yourself, your wife, your mortgage, and three children, all of whom you are trying to keep afloat, these other jobs won't support you. That is predicated on your standard of living prior to your unemployment, and try to keep that package afloat.

The mathematics just does not work out. You're not like the new single guy going out and looking for a job, or a woman, the first-time job, where you can arrange your living according to your income.

Now, Mr. Knapp, are you a homeowner?

Mr. KNAPP. I am for a while. I don't know how long I have left, before foreclosure.

Chairman MILLER. Well, you both have mortgages?

Mr. MORRIS. Yes.

Chairman MILLER. A consideration in job offers, at whatever pay level, obviously, most have been whether or not you could keep together your monthly outgo, in terms of your utilities, mortgages, food, etc. When we talk about retraining somebody, we are talking about family units, and families must recognize the financial aspect of keeping that unit together.

Mr. MORRIS. Absolutely. I was just going to recount the story of an individual who had gone out and he, like myself, was a tool-die-maker apprentice. We had been making somewhere in the area of $10 an hour at Ford Motor Co. He reentered the job market at—as

a tool-diemaker apprentice in the private industry. I think his wage was a bare minimum of $3 and something an hour; and he received a small subsidy from a program the Federal Government had set up with that company, but it was not even enough. It was like pulling out your bills from a hat and you paid one bill one month and delayed paying the other bills for 2 or 3 months.

I think that sort of thing brings on the long-term despair and the feeling that, "Hey, even though I am working now, I am no longer unemployed, I am no longer an unemployed statistic, but my problems for me are just starting."

It is not even a question of readjusting one's self to live a different kind of lifestyle, because this lifestyle that we are talking about is so substandard, the bare necessities are not even afforded.

Chairman MILLER. Well, let me ask you this: isn't it natural that rather than going through the trauma of retraining and accepting that new job, that pay level, and all of the problems you might prefer to hang on and get called back with that higher salary. This is really the solution to your problem.

Hope of that call-back is stronger than thinking that you are now going to start a new career at $5 an hour.

Mr. MORRIS. Well, I worked with the University of Michigan Employment Transition Program that some graduate students put in play there. We performed the workshops on a number of local 600 employees. The biggest problem that we faced was the fact that most people refused to believe that they were actually going to stay out in terms of being unemployed.

Eventually, they would be called back. They didn't know the difference, and I didn't either, myself, the difference between reciprocal and frictional layoff. They felt that, "Well, this was just another manufacturing cycle, to give me a chance to catch up on the work that I was not able to do at home, and eventually I would be called back to work."

Because the way they are restructuring the manufacturing programs in the industry, not only this area, but across the nation, such that thousands of people will never ever go back to those jobs again, and that was the barrier that we faced.

A lot of people didn't want to retrain because they didn't want to face the reality that said, "Hey, I am never going to go back there. Ten years of my life has been given up."

In my profession as a tool and diemaker, seniority is back to 1967—you have to have 17 years of seniority to work as a tool and diemaker in the Rouge area.

Chairman MILLER. Ms. Morris-Vann, one of the concerns that we on the select committee looked at earlier in terms of families drifting into poverty, was the structural change of divorce. What number of children have you worked with who are in families undergoing divorce?

Dr. MORRIS-VANN. Well, I would estimate at least 50 percent of students' parents are divorced and/or separated. These numbers reflect an increase during the last 3 years.

I am aware of a few children who moved to another State to live with other relatives.

Chairman MILLER. If we can assume for a moment that Mignon and Dawn's stories are somewhat typical, the families may start

intact. Then, as they are referred to you, you already have problems in the family. Finally, in half of those families, you would estimate that they end up in divorce?

Dr. MORRIS-VANN. Right. Over half.

Chairman MILLER. With respect to the parents?

Dr. MORRIS-VAN. Yes, over half.

Chairman MILLER. Dawn, when you talked to your other friends, were their parents separated or divorced? Do they talk about that?

DAWN. Well, some of them are, but not all of them. I have—one of my best friend's, that her dad got laid off for 2 weeks and they almost separated. They started fighting. Just for 2 weeks.

Chairman MILLER. Sometimes it brings out a lot of underlying problems.

Now, you mentioned that you were embarrassed to talk to your friends, maybe let them know that you didn't have money to go skating, that your clothes were not as nice as theirs.

What about now that you have a group of people to talk to? Do the other kids discuss those kinds of items now, freely? Do you talk about it?

DAWN. Yes.

Chairman MILLER. Well, how many kids do you meet with from time to time? Is this a regular group?

Dr. MORRIS-VANN. Yes. In each group, we range from six to eight kids at a time, depending on the situation; sometimes I even see them by themselves.

Say, for example, if Dawn comes to me very frequently, just during the course of a school day, she might just come in and say that she needs to talk, and I will see her by herself. And sometimes I will ask if she wants to share anything with the group. Sometimes she says yes and sometimes she says no.

Chairman MILLER. Well, what would be your estimate or your projection, if you looked at the kids that make up your case loads, about their future, in terms of whether they are going to bounce back or whether there has been any scarring? I am not asking you how serious this is going to be, but just in terms of if you believe these kids can carry the experience forward.

Dr. MORRIS-VANN. Well, I know parental unemployment would have to have some effect on them. I am really concerned in the mental health area. In talking to the kids one day, I even asked—I was kind of curious to find out their perception of their own futures, what they were going to be like.

I don't know if I would say that I was surprised, but I asked them how many thought that they would be able to get a job when they grew up, and about half of them said yes and about half of them said no. They really didn't think that there were going to be any jobs for them because there were no jobs for their parents.

Chairman MILLER. Mignon, you have been working in this group for about 3 years; is that correct?

Ms. TEMPLE. Yes.

Chairman MILLER. You now have a lot of experience that you bring to these sessions. I assume there are kids that come for the first time to these groups for the first time.

Ms. TEMPLE. Yes.

Chairman MILLER. What do you tell them? What kind of things do you think helps them when you talk to them?

Ms. TEMPLE. Well, that things will work out in the group and they will be OK.

Chairman MILLER. Well, what kinds of things do they tell you? What bothers them, at first, the most?

Ms. TEMPLE. Well, not having enough money to go to college or not to be able to get a job.

Chairman MILLER. Thank you very much for your testimony.

I think Congressman Marriott has one other question.

Mr. MARRIOTT. One thing that I am extremely concerned about is food and nutrition for the children. I cannot understand anybody having to go to any school in America hungry these days.

I just read that here in Detroit 150 tons of surplus commodities were thrown out the door; and I just want to know, in your schools if anybody comes hungry. I was quite alarmed about one of the children who said that they were ridiculed because they took a free lunch.

Now, why—who would know their school lunch was free? How does that work in your schools? What is the situation with the children here coming to school hungry or going through school hungry?

Dr. MORRIS-VANN. Essentially, what happens in our school is the students receive lunch tickets. But, you know, it is hard to camouflage in a school who is paying, when kids see one child with money and one without money in the morning.

I really cannot speak to the fact of the number of kids who come to school hungry in the morning; however, I do recall an incident where a little girl was telling me that, her brother was sick and wanted to stay home and she told him, "Well, you have to come to school so we can get our free lunch."

And I might add, too, that over half the students receive free lunch at Carver School.

Mr. MARRIOTT. Well——

Dr. MORRIS-VANN. We don't have a breakfast program.

Mr. MARRIOTT. Well, there is no reason why they should not have free lunch.

Is there some way that you can set this up where it is not quite so obvious that this is the free-lunch crowd, and this is the paid-lunch crowd? Maybe it is not a big thing, but in their testimony, it seemed to be something that they were most embarrassed about. Unemployment is bad enough—and to have to be singled out, it seems to me to be wrong.

Dr. MORRIS-VANN. Well, the only thing that I can think of to solving that is to have the kids' parents mail the checks to school. This would require additional staff (and funds) to handle this procedure.

Mr. MARRIOTT. Well, could you not give them coins to put their pockets and let them pay for the ticket, and then you get the money back.

Chairman MILLER. Well, this is a major problem. The subcommittee for elementary-secondary education has struggled with this problem for 10 years before I came to Congress, and the law is very specific about not segregating nonpaying, reduced priced children

out. Yet, we have never, even in the schools with the best intentions, never have been able to fool the kids. You can fool everybody else involved in the program, except the kids. So we are still working on it, but the law requires that you not segregate these children.

Thank you again very much for your testimony.

I would like to welcome Congressman Coats from Indiana who has joined us this morning.

Dawn and Mignon, I thank you very much for your help.

The next panel that the committee will hear from will be made up of Mary Wehking, who is the administrative director of Child Care Coordination and Referral Services; Nancy Nagle, who is the client services program manager, Downriver Community Conference of Southgate; Dick Buss, who is the director of economic development department; Reverend Michael Dana, who is from Joy Christian Fellowship of Southgate; and Reverend Oscar Carter, who is the administrative assistant to the Pastor of Tabernacle Missionary Baptist Church in Detroit.

I believe, Reverend Carter, you said that your pastor (Rev. Dr. Frederick G. Sampson) provided the prayer for Congress sometime late last year; is that correct?

Rev. CARTER. Yes. Congressman John Conyers, speaking as a matter of fact, I introduced him.

Chairman MILLER. Fine.

Now, welcome to the committee, and I will ask you to testify in the order in which I have recognized you. Again, if you have a completed written statement, it will be placed in this record in its entirety. To the extent to which you can summarize it, it will be appreciated. To the extent where you might want to respond to something that you heard from the previous panel, it would also be helpful for the members of the committee.

Ms. Wehking?

STATEMENT OF MARY WEHKING, ADMINISTRATIVE DIRECTOR, CHILD CARE COORDINATING AND REFERRAL SERVICE, WASHTENAW COUNTY, MI

Ms. WEHKING. I am Mary Wehking, the director of Child Care Coordinating and Referral Service, which is in Washtenaw County. It is a 4-C organization, which stands for Community Coordinated Child Care. There is a network of about 11 4-C's throughout Michigan, and they are predominately funded by title XX block grants through the Michigan Department of Social Services.

There are also 4-C groups throughout the Nation, as well. I happen to serve also as the current president of the Washtenaw County affiliate of the National Association for the Education of Young Children, and I was a child care center director in Ypsilanti for 7 years, where our population was comprised of 50 percent of low-income children who were very definitely impacted by the problems of unemployment in the community.

I am pleased to speak with you today regarding the impact of the accessibility and availability of child care on employment and unemployment; and, specifically, about our child care scholarship pro-

grams, and our family day care as a small business training project.

With the dramatic increase in the number of single-parent families and two wage-earner families, we are seeing corresponding increases in the number of children in child care situations.

Research, such as that of David Weikart, Ph.D., of the High Scope Educational Research Foundation in Ypsilanti, as well as common sense, I think, we have to couple those two things together, indicate that the child care environment, the environment that thousands of our children are in 10 hours per day, 5 days per week, 50 weeks per year, and from the age of 2 weeks and up, is directly and dramatically related to the type of adult into which the child will develop.

Children who are cared for in safe, healthy, and stimulating environments by consistent, caring adults who understand and meet their changing needs, will generally develop into socially competent and self-motivated and productive adults.

Conversely, children who spend most of their waking hours in unsafe, unstimulating environments with inconsistent, over-burdened and apathetic adults, are likely to develop into antisocial, uncreative, and dull adults.

In the search for quality child care, it is our agency's primary purpose to provide information and referrals to parents regarding child care options and how to choose quality care.

This is done through over-the-phone counseling by a trained staff or volunteer. We also work with child care providers, child care centers, family day care centers, group day care homes, by providing training, technical assistance, advocacy, toys, living libraries, services, service coordination, and a recycling center to make these otherwise unusable materials.

One of the things I would like to make you aware of, and I'm sure you are aware of, that pointed out—that the unemployment figures in Washtenaw County are lower than some of our neighboring counties. But we do, in fact, have significant numbers of unemployed people in our county; and, therefore, people living in poverty.

As the seat for five colleges and universities, we are often thought of as young, liberal, well educated and rich. Unfortunately, that perception—and it is an incorrect perception—does nothing to alleviate the problems that the nearly 18 percent of the unemployed people in our county have, particularly people who live in the eastern sector of our county.

Cost is a major factor in choosing child care. It is simply expensive. For example, high quality programs in the Washtenaw area typically charge about $60 a week, with ranges of $40 to $100 per week for child care. Infant and childhood care is often more expensive.

Obviously, most parents cannot afford to pay $60 to $100 per week per child for child care. A parent who makes $10,000 per year simply cannot pay $3,500 to $4,000 per year to care for one child, no matter how desperately he or she wants to provide quality care for that child. Gwen Morgan of Wheelock College has identified 10 percent of family income as a reasonable rate for the cost of care.

For many low-income families and laid-off families, that figure is closer to 25 to 50 percent of the family income.

In the city of Ann Arbor, we have been very fortunate to have approximately 30 percent of our community development funds allocated to human services. A small portion of these funds, $50,000, have been used to create the entitlement scholarship program which we have administered for the past 6 years.

The scholarship program uses HUD income-eligible guidelines and the child care scholarships are provided, based on specific priorities: single, female, head of household, at work or in training. These parents fall into the low income, very low or low-income category. We use the same scholarship model and funds were sought to provide child care scholarships through the Emergency Jobs Bill Act.

Beginning this past September, we have been administered $39,000 in the Emergency Jobs Bill Scholarship Program, in conjunction with the other scholarship programs that I just mentioned. Unfortunately, the jobs bill is only a 1-year program, and it ends on August 31. While it is very helpful to the families eligible for the services, it can only be considered as a band-aid for families still in need. The severe cuts in title XX child care funds of 1981 represents dollars that will never be returned to families.

Fewer and fewer people are eligible for the Department of Social Services child care assistance because of those cuts, therefore, increasing the number of persons eligible for jobs bill or entitlement scholarships.

To determine eligibility for scholarships, we use the 1981 guidelines. The 1983 guidelines increased the income levels by approximately $2,000, thus increasing the number of persons eligible.

The decision to use the old guidelines was made in order to provide the scholarships from the jobs bill and entitlement programs to the most needy people who applied. The low-income people who applied are the new poor, most recently laid-off auto workers and construction workers.

I would like you to think back to the percentage of the income a parent can reasonably be expected to pay for child care that I spoke of earlier, as I share the next information with you. Also keep in mind that only $100 a week that it costs to care.

Now, for both programs, families can receive $37.50 per week for full-time care, and $25 a week for part-time care, toward the cost of the care for 6 months, so that the parents still have to pay half of the child care cost.

During 1983, we were able to provide the entitlement scholarships to 145 students: 51 in the very low-income guidelines category, and 94 in the low-moderate income guideline characters.

The goal has been to serve 30 or 40 children, but by allocating each scholarship at $25 instead of $37.50, and receiving an extra $10,000 emergency scholarship fund, we were able to provide a bit more help to a larger number of families.

From September through the end of this past month, we have been able to provide 99 scholarships with the jobs bill money, with an approximate even distribution between very low and low-income levels. We were also—during the first quarter, through December, 310 applications were sent out to people who requested the infor-

mation and met the eligibility guidelines during over-the-phone screening. But all of the funds that were available had already been allocated, spent.

A child care scholarship program is very cost effective and cost efficient use of tax dollars. For parents, the seeking or holding onto the job is difficult, if not impossible, without child care, which must be available and accessible.

Our entitlement programs shows that the child care allows the parents working at the minimum wage in such jobs as a secretary, bowling alley attendants, stock keeper, assistant cook, allows them to pursue career goals in areas such as accounting.

The Jobs Bill Scholarship Program shows that parents are moving from underunemployment to training in auto repair, electronics, computers, GED, going back to school, learning trucking—and one of our families is simply learning to read; going into nursing or going into similar types of opportunities.

These opportunities were previously unavailable and are now within the realm of possibility.

Since the Jobs Bill Program has only been in place for 6 months, we are not really that able to speculate about the success rate of the parents, that they are going to have at getting and keeping these jobs. In addition to the scholarship programs that we have, we have another program that is responding to the unemployment program. It is called the Family Day Care as a Small Business Project, and is funded for $24,000.

The purpose of the Family Day Care Training Project is to create employment for people who wish to work in their own homes as family day-care providers, which is building on the concept of cottage industries, and to improve employment by upgrading the child development and entrepreneurial skills of underemployed existing family day-care providers.

We have also intended to increase the number of slots available for child care. Through four series of training work shops, coupled with peer training and field instruction, trainees gain the skills necessary to successfully operate a family day care home or to work as an aide or a substitute in someone elses business.

One of the things that—the good news is that this does create employment opportunities; the bad news is that it does not create the level of income that is always going to be necessary to sustain a family.

Many of the trainees are parents who have children. We build child care into the model, and child care has been provided in each training session. To date, child care has been provided for 30 children throughout the series.

One thing that has been very pleasing to us is that the response to the project has exceeded our expectations. Attendance at the current sessions is almost double of what we had anticipated. Eleven new family day care homes have opened, and six more may be opening, as I speak to you, now that their licensing process is completed.

According to a recent study in the Michigan Department of Social Services, comparing employment records of two groups of AFDC parents, we found that mothers with children aged 6 and under were more successful at getting jobs and getting off welfare

than those with children aged 6 and over. It appears that having child care available may have a positive impact on reducing the need for welfare services.

While we are extremely pleased with the results of these two emergency projects, there are a couple of restraints that concern us: One is that in the areas of—in Washtenaw County, we have higher unemployment, such as Ypsilanti, Ypsilanti Township, Willow Run.

These areas do not have access to this type of program because of the development money that is exclusively available in our county and the city of Ann Arbor; and that programs of this type are needed, even when Michigan is not in an economic crisis.

Some suggestions that I would like to make is simply to continue the support for community development block grants as a vehicle for important human service delivery; that people's training and needs are not going to end with Jobs Bill Act funding; that alternatives are needed; the congressional support of programs for working parents, such as scholarships, be more visible; and that our country make programs for young children and their families an important component of our national public policy.

And that is the end of my prepared remarks, but I'd like to add a footnote, if I might. And I may get a little emotional on this part because I am strictly speaking from the heart here.

When Dawn and Mignon were up here speaking, and Artie was talking about the impact of unemployment on families, it very definitely reminded me that this is not a new problem that we are facing—that 20 or so years ago, I was like Mignon and Dawn, and that we still have a long way to go in solving these problems.

My own father was a press operator with the Ford Motor Co, and experienced lengthy and numerous layoffs during the recession in the late fifties. The impact and effect of self-worth on the human being, who are parents, have far reaching impact on children.

I always remember the hurt look in my father's eyes when he took us with him to the unemployment office. He had us wait in the car while he went to get his check, but he also had to have his pride and be able to demonstrate it to us. So after picking up his check, we always went to a store where he gave us 5 cents each for a Dum-Dum sucker.

This happened month after month after month. And I would not be the advocate that I am today without having had that experience. But I would like the children of the future not to have those experiences; and I call upon you to do what you can, as our leaders, to impact the problem.

Thank you.

Chairman MILLER. Thank you for your testimony.

Nancy Nagle?

[Prepared statement of Mary Wehking follows:]

PREPARED STATEMENT OF MARY WEHKING, DIRECTOR OF CHILD CARE COORDINATING AND REFERRAL SERVICE, WASHTENAW COUNTY

I am Mary E. Wehking, director of child care coordinating and referral service which is the Washtenaw County 4-C (community coordinated child care). The network of eleven (11) 4-Cs in Michigan is predominately funded by title XX block grants through the Michigan Department of Social Services. There are 4-C groups throughout the Nation as well. I am currently president of the Washtenaw County

affiliate of the National Association for the Education of Young Children (NAEYC) and was a child care center director for seven (7) years.

I am pleased to speak with you today regarding the impact of the accessibility and availability of child care on employment and unemployment; specifically about our child care scholarship programs and our family day care as a small business training project.

With the dramatic increase in the numbers of single parent families and two wage earner families, we are seeing corresponding increases in the number of children in child care situations. Research, such as that of David Weikart, Ph.D., of High/Scope Educational Research Foundation in Ypsilanti as well as common sense indicates that the child care environment—the environment thousands of our children are in 10 hours per day, 5 days per week, 50 weeks per year from the age of six weeks and up—is directly and dramatically related to the type of adult into which the child will develop. Children who are cared for in safe, healthy and stimulating environments by consistant, caring adults who understand and meet their changing needs, will generally develop into socially competent, self-motivated and productive adults. Conversely, children who spend most of their waking hours in unsafe, unstimulating environments with inconsistant, overburdened and apathetic adults are likely to develop into anti-social, uncreative and dull adults. In the search for quality child care, it is our agency's primary purpose to provide information and referrals to parents regarding child care options and how to choose quality care. This is done through over-the-phone counseling by a trained staff member or volunteer. Additionally, we work with child care providers (child care centers, family day care homes, group day care homes) by providing training, technical assistance, advocacy; toy book and resource libraries; service coordination, and a recycling center.

It is important to point out that even though the unemployment figures for Washtenaw County are lower than for some of our neighboring counties, we do, in fact, have significant numbers of unemployed people, and therefore, poverty in our county. As the seat for several colleges and universities, we are often thought of as young, liberal, well educated and rich. Unfortunately, that perception does nothing to alleviate the problems of the record high percentages of unemployed persons in the eastern part of the county, particularly, the Ypsilanti area.

Cost is a major factor in choosing quality child care. It is simply expensive. For example, high quality programs in the Washtenaw area typically charge about $55.00 to $60.00 per week with ranges of $40.00 to $100.00 per week. The cost of care for infants and toddlers is almost always at the high end of the scale.

Obviously, most parents cannot afford to pay $60.00 to $100.00 per week per child for child care. A parent who makes $10,000 per year simply cannot pay $4,000 per year for care for one child no matter how desperately he or she wishes to provide quality child care for that child. Gwen Morgan of Wheelock College has identified ten (10) per cent of family income as a reasonable rate for the cost of care. For many low income families, this figure is closer to fifty (50) per cent of the family income.

In the city of Ann Arbor, we have been very fortunate to have approximately 30 per cent of our community development (CDBG) funds allocated to human services. A small portion of these funds ($50,000) have been used to create the entitlement scholarship program which we have administered for the past six years. The scholarship program uses H.U.D. income eligible guidelines and the child care scholarships are provided based on specific priorities: single, female, head of household, at work or in training. Parents are in the very low or low income catagory. Using the same scholarship model, funds were sought to provide child care scholarships through the emergency jobs bill act.

Beginning September 1, 1983, the emergency jobs bill scholarship program in the amount of $39,000 was launched in conjunction with the entitlement scholarship program. The emergency jobs bill is a one year only program which will end on August 31, 1984 (this year). While it is very helpful to the families eligible for services, it can only be considered as a band-aid for families still in need. The severe cuts in title XX child care funds of 1981 represent dollars that will never be returned to families. Fewer and fewer people are eligible for department of social services (D.S.S.) child care assistance, therefore increasing the number of persons eligible for jobs bill or entitlement scholarships. To determine eligilbity, we use the 1981 H.U.D. income guidelines. The 1983 guidelines increase the income levels by approximately $2000.00 thus increasing the number of persons eligible. This decision to use the old guidelines was made in order to provide the scholarships from the jobs bill and the entitlement programs to the most needy people who apply. The low income level people are the "New Poor"; recently laid off auto workers, construction workers, etc.

I would like you to think back to the percentage of income a parent can be reasonably expected to pay for child care that I spoke of earlier (10%) as I share this next inforamtion with you. For both programs. families can receive $37.50 per week for full time and $25.00 per week for part time care toward the total cost of care for six months. Scholarships are renewable for a second six month period. So even with help, parents must pay a hefty portion of the child care costs.

During the 1982-83 year, we were able to provide entitlement scholarships to 145 children: 51 very low income and 94 low/moderate income levels.

The goal had been to serve 30 or 40 children but by allocating each scholarship at $25.00 and receiving an extra $10,000 emergency scholarship fund, we were able to provide a little help to a larger number of families.

From the end of September 1983 through the end of February 1984, 99 scholarships have been provided with an approximately even distribution between very low and low income levels. During the first quarter, 310 applications were sent out to people who requested information and met the eligibility requirements during the telephone screening. All of the funds available for that period had been allocated.

Child care scholarship programs are a very cost effective and cost efficient use of tax dollars. For parents the seeking and/or holding onto to a job is difficult, if not impossible, without child care which must be available and accessible. Our entitlement program shows that child care allows parents working at minimum wage in such jobs as secretary, bowling lanes attendent, stockkeeper, assistant cook, etc., to pursue career goals in areas such as accounting. The jobs bill program shows parents moving from under or unemployment to training in auto repair, electronics, computers, G.E.D., trucking, learning to read, and nursing. Opportunities previously unavailable are now within the realm of possibility.

Since the jobs bill program has been in place for only six months, data is not yet available for us to speculate on the success rate of these parents for getting and keeping a job.

In addition to the scholarship programs, we have one other jobs bill program that is responding to the unemployment problem. It is called the family day care as a small business training project and is funded for $24,500.00. The purpose of the family day care training project is to create new employment for people who wish to work in their own homes as family day care providers (building on the concept of cottage industries) and to improve employment by upgrading the child development and business skills of underemployed existing family day care providers. Through four (4) series of training workshops, coupled with peer training and field instruction, trainees gain the skills necessary to successfully operate a registered family day care home and/or to work as an aide or substitute in someone else's business. Many of the trainees are the parents of young children. Therefore, child care was built into the model in the early planning stages. It has been provided for each training session at or near the training site. To date child care has been provided for thirty (30) children throughout the series.

Response to the project has far exceeded our expectations. Attendance at the current series is running at almost double of what was proposed. Eleven new family day care homes have opened and six (6) more will open as soon as their licensing/registration process is completed.

According to a recent study in the Michigan Department of Social Services, comparison of the employment records of two groups of AFDC parents was made. It was found that mothers with children aged six and under were more successful at getting jobs and getting off welfare than those with children aged six and over. It appears that having child care available may have positive impact on reducing the need for welfare services.

While we are extremely pleased with the results of these two emergency jobs bill projects, there are several constraints that concern us:

(1) Areas of higher unemployment in our county such as Ypsilanti, Ypsilanti Township and Willow Run do not have access to opportunities of this type.

(2) Scholarship and training programs serving this population are needed even when Michigan in not in economic crisis.

SUGGESTIONS

(1) Continued support of community development block grants is important for human service delivery.

(2) People's training needs are not going to end with the jobs bill funding. Alternatives are needed.

(3) That congressional support of programs for working parents such as scholarships be more visible.

(4) That the United States make programs for young children an important component of our national public policy.

STATEMENT OF NANCY NAGLE, CLIENT SERVICES PROGRAM MANAGER, DOWNRIVER COMMUNITY CONFERENCE, SOUTHGATE

Ms. NAGLE. I am Nancy Nagle from the Downriver Community Conference. The Downriver Community Conference is a public corsortium of 16 communities that are south of the city of Detroit, downriver; that is why it has that name.

It was created in 1976 to help solve some of the economic and social problems that cut across the boundries of all 16 communities, which are small communities that did not have a lot of people by themselves.

We started into the employment training area in 1980 when one of our mayors approached our board and notified us that one of the employers in the area, BASF, Southworks, a chemical company, was going to close its doors, laying off 870 workers.

We applied for employment training funds from Wayne County Employment Training Act at that time to help retrain those displaced workers. And while we were starting that program, we found out that another major employer, Dana Corp., in Ecorse, was also going to shut its doors.

The Department of Labor, at that time, was looking for some sites to pilot a displaced workers program and, luckily, we were able to secure those funds, because almost as soon as we got that funding, we found out that Ford Casting in Flatrock, and Firestone, a corporation in Wyandotte, were also closing their doors. So within a little more than a year, we were facing 3,500 layoffs from four major plant shutdowns.

We were really looking to get into the area of retraining and job placement, but what we found out is that you cannot retrain workers who were having their basic needs left unmet.

We started, then, an information referral hot line that started as a rumor-control center because many of these people coming out of plants had never faced a layoff. They had worked there for 30 or 35 years and thought they were going to retire from there. They did not know that they had to go down to the MESC office to file for unemployment benefits; they thought it was going to come to their homes. They couldn't figure out why they didn't have any money coming through the mail, and we had to tell them what the process was, and also give them information about our employment training programs.

As we were talking to some of these people, trying to encourage them to come in to be retrained—because many of them did not have skills that were marketable in this economy, we did find out that they were experiencing many other problems, with no food in the house, with the health care.

Many of the workers, especially the older workers, who were displaced, thought, "Nobody is going to hire me. I am 55 years old," were potentially suicidal, and we had to work with them and the mental health counseling services in the area, to try and provide help for them.

So we saw or heard over the phone just about every type of problem that could be associated with the people who were unem-

ployed. And it ran the whole gamut. Many families, of course, had multiple problems, including potential divorces in the family.

We used to kind of joke with them because, of course, people who were unemployed could not afford a private attorney, and the legal aid offices just would not accept divorce cases, so we would say, "Why don't you go and get some marriage counseling, because unless you can afford a private attorney you cannot get a divorce, so you had better make it work." That seemed to help a lot of people. They needed that type of humor and that type of realism, too.

What we found out were that for many of these people, they did not know that there were community resources available to help them through some of the rough times. They had not experienced layoffs before; they did not know where to go to receive help. If they needed emergency food, for one thing, they were afraid to ask for it; and for a second thing, they didn't know where to go to ask for it.

So our hot line provided those types of referral systems, using churches in the area, the Salvation Army, other employment training programs, mental health help centers, credit counseling centers, and financial budget counseling, and working real strongly with the utility companies to try and prevent shutoffs.

We have given, to date, about 38,000 referrals to people to help them meet their needs when they told us that they needed some type of assistance. And to further help the unemployed, we also became involved in the surplus cheese distribution until it really blossomed. Then we turned it over to the churches in the community.

We have a clothing room on site, and we get donations from various exclusive retail shops in Birmingham that provide us with clothing. They are for women, children, infants, and men. We found that that has been really helpful to the people who are going out on job interviews and have been out of work for 2 or 3 years and don't have proper suits to wear to the job interview, to make a good impression; and we were able to provide that type of service to them.

We also have a rush on baby clothes because there seemed to be a lot of pregnant people when they are unemployed, and they don't have anything to put on their children, so we give away a lot of layettes, too.

We also set up one program that was kind of unique with the Wayne County Health Department, a preemployment physical for people who were or are enrolled in our employment training program.

One problem that we found was, that because of unemployment, blood pressure skyrocketed and, because blood pressure skyrocketed, they got skin rashes. Many of them had existing conditions when they were laid off from the plant. When they were going to be hired for a new plant, they had to take a company physical and many of them did not pass.

So we set up the preemployment physicals, and the health problems were detected, and they were treated before those people got a job interview, and then they were successful in keeping the jobs in

many cases. So that was another program that we started to assist them.

We also had two communities who used their municipal tax credits from the local bus transportation system who donated their share of the municipal tax credit back to us to provide the bus tickets to the unemployed, or to the needy, or to the senior citizens, or handicapped Downriver.

We also developed a small emergency fund for private citizens where they could donate money, and we used that money to convert into food certificates for people to go to the grocery stores and buy their own food. We find it's better sometimes than giving out the food baskets because people do have their likes and dislikes, even when they are unemployed and hungry, and they are free to buy the food of their choosing.

This question might address a couple of questions that the panel had before. One of our biggest projects that we piloted, because we found out there was none, was in the need of the health care area.

In 1981, we piloted the Health Care Referral Network under Project Health Care, and this would benefit those who didn't know where to go and get health care.

Using volunteer physicians in the area, and Downriver—we have 110 volunteer physicians and all seven hospitals—we were able to refer people who were screened by the hot line for eligibility to the physicians who will treat them for free or low-cost service for an in-office visit.

This has been really successful. We have referred, just Downriver, about 3,200 people in the last 2½ years, and they are able to get the primary health care. Most of the physicians do not charge at all as long as they are screened by our hot line.

That was very successful, and within a year, it was expanded and is now in the City of Detroit, Oakland County, St. Clair, and Washtenaw County and also in Macomb County.

In addition to that, we found that after going to the physicians, getting the free health care, they were not able to fill the prescriptions that were prescribed. So using some jobs bill money that came into the area in November, we were able to divert some of those funds into prescription programs. Perry Drug Stores and some local pharmacies have been very instrumental in picking up some extra paper work where people on a sliding scale, that is determined when they call in to the networks, are given the prescriptions. So that has been very useful also.

That was one of our first involvements with the public-private partnership, and it has worked out very well.

Now, to editorialize a little: even though we realize and see on a day-by-day basis, the devastating effects of unemployment on families, we also see some benefits from it in the community.

Community resources have drawn together to help the total person. They are no longer territorial, saying, "Yes, I will take care of the mental health needs," or, "I will give the marriage counseling," but that is where it ended. When they find out there is a marriage problem because of unemployment, they will say, "Have you gone down to DCC to see if you can be retrained or get a job?"

That type of sharing is going on in the communities. We have always known that the churches help out the needy, but we have

also found they have also been more instrumental and involved in finding out what types of services that they can tell their people in their congregation who might be unemployed about, and also working with us if we need to call them to say, "This family needs some food. Can you provide some?"

So that type of sharing in the network has increased in this period of unemployment, and we are very grateful for that.

Now, Dick is going to talk a little bit more about our success with the public-private partnership that has resulted because of unemployment in our area.

Thank you.

Chairman MILLER. Mr. Buss.

[Prepared statement of Nancy Nagle follows:]

PREPARED STATEMENT OF NANCY NAGLE, CLIENT SERVICES PROGRAM MANAGER, DOWNRIVER COMMUNITY CONFERENCE

The Downriver Community Conference is a public consortium of 16 small communities that literally follow down the Detroit River from the city of Detroit. It was created in 1976 to address common economic and social problems that cut across the community boundries. The Downriver conference became actively involved in employment and training in 1980, when one of our mayors informed us that BASF Southworks, a multi-national chemical company, would be closing its plant in Wyandotte and laying off 870 workers.

Within weeks, we started to design a training program and received Wayne County CETA funds to run our program. As we started to work with BASF, the Dana Corporation plant, an automotive subsidiary in Ecorse, Michigan, announced its shutdown. At about that time, the U.S. Department of Labor, which was interested in evaluating programs to retrain displaced workers, designated the Downriver Conference a national demonstration program.

The following year we were faced with two more major closings: Michigan Casting, a Ford subsidiary and the most modern engine casting facility in the country, and Firestone Steel Products, another automotive subsidiary. Thus in little over a year, Downriver was handling four plant shutdowns.

MOBILIZING COMMUNITY RESOURCES

We did not start out with any intention except to run a retraining program. However, what Downriver turned out to be was a catalyst in the community, mobilizing the resources of business, labor, bankers, local organizations, and whatever expertise there might be in our community to help design a program.

We established organized classroom training, on-the-job training and in some cases, arranged for relocation of laid off workers. As one of the first communities responsive to unemployment, we also established an unemployment information and referral hotline in June of 1980. It began as a rumor control center and program information center for displaced workers who wanted to know if they were eligible for the employment and training programs.

We soon learned that we could not entice applicants into training programs when their basic needs were unmet. Therefore, the hotline evolved into a generic information and referral line. Linking with other community agencies such as credit counseling centers, local mental health and substance abuse agencies, churches, the Salvation Army, etc. We were able to match requests for help with existing resources. Besides employment and training referrals, other types of linkages and referrals for problems are in the areas of health care, prescription drug and alcohol abuse, domestic assault and child abuse, housing, emergency shelter, dental and vision care, transportation, food, clothing, utility bill assistance and all other problems associated with unemployment. This was and is an important service as many new unemployed knew nothing of community resources that were available to help them.

To date, we have given referrals to over 38,000 unemployed workers primarily from the Downriver area who were in need of assistance.

To further help the unemployed, we also became involved in the surplus cheese distribution, we have a clothing room on site where the needy can receive good quality donated clothes free, we offered pre-employment physicals free to program participants with the assistance of the Wayne County Health Department and bus tickets were donated from two communities to us to dispense to the unemployed. The

Downriver Community Conference also has a small emergency fund available through private donations with the money usually converted to food gift certificates to distribute to callers in need of emergency food.

When we determined there were unmet needs due to lack of appropriate resources, we took the initiative in finding new sources of help and piloted new projects.

The largest and most successful project is the Health Care Referral Network, which we piloted under the direction of Project Health Care. With the volunteer efforts of 110 local physicians and 7 hospitals in the downriver area, the DCC Hotline staff has been able to refer over 3200 unemployed persons without health insurance coverage and who were ineligible for Medicaid for free or very low cost primary health care. Because of the success of our project, it now has been expanded into Detroit and out-Wayne County, Oakland, Macomb, St. Clair and Washtenaw counties.

To fill a gap, we were also instrumental in directing Jobs Bill money available in our area for health care to cover prescription drugs on a sliding scale with the cooperation of Perry Drugs and some independent pharmacies.

This was our first and very fruitful involvement with public/private partnership and it encouraged the Downriver Community Conference to reach out for other public/private endeavors to assist the unemployed and the depressed labor market downriver.

The families of the unemployed have experienced major upheavals and adjustments in their life styles. Many family structures have disintegrated; many have pulled together and been strengthened, but all have been deeply affected by unemployment. However, without the assistance of community resources, and helping professionals and volunteers, the devastation would be much greater.

STATEMENT OF DICK BUSS, DIRECTOR, ECONOMIC DEVELOPMENT DEPARTMENT, DOWN RIVER COMMUNITY CONFERENCE, SOUTHGATE

Mr. BUSS. Thank you.

Members of the committee, while the initial operation of our retraining program was seeing us being able to get people back to work within about $1 an hour of their previous wage and 72 percent were getting replaced in the first year of our training program, we started to look at 1982. We didn't see any of the problems of displaying in the Downriver community.

In fact, when we decided to take a look at what a group of communities could do to do job creation, unfortunately, the only market we saw increasing for us was the Federal budget. Particularly, the Defense Department budget.

We initiated our job creation business assistance efforts by researching some of the tricks of the trade, tools of the trade that large prime military contractors had at their disposal; and we decided to focus in on assisting small businesses where we expected to see the majority of the job increases occurring.

We decided to follow sort of a Social Services model of one-stop shopping center, but this time, for small businesses that are interested in diversifying, finding new markets for their products.

In particular, because of the—when we—in the industrialized area, we were operating in, we decided to focus in on small metal working machine shop type operations; and we did a lot of market research on the defense budget.

Now, since its opening in 1982, over 870 Michigan firms have used our operation; and particularly, looking at defense work. Ninety-six of these firms have obtained 266 Government contracts, worth a little over $59 million, and most of that, again, are auto-related firms, now selling the products that they used to sell to the auto industry, now selling them to the Department of Defense.

Now, one of the things that we learned, though, is that a local effort trying to impact job creation, that there are no quick-fix, short-term solutions; and in the first 2 years of our efforts, we found that we were getting people back to work who were on layoff from small businesses, but we were not creating yet, new jobs for which we were retraining people.

Now, in about the last 6 months of our business development, efforts were beginning now to place people from our retraining program in businesses in Michigan that are expanding now, adding new employees.

One of the things that we found that we had an opportunity to do was to lever each State and Federal dollars to do a substantial creative business development for our participating firms. We were fortunate to receive U.S. Small Business Administration grants to develop our procurement assistance project and we took that demonstration statewide.

We worked with our local private industry council, a public-private partnership corporation put together in our area to administer job training funds.

They provided us CETA funding to establish our small business assistance center, which was funded also through the State Department of Commerce. We opened a full service business development office right across the hall from the resource center where the unemployed were retraining, developing and looking for jobs, we opened our office for businesses looking for new markets. We were also able to look to the private sector to make additional resources available to job creations.

We have just closed over $2,000,000 loans with the Ford Foundation, which is going to make the Downriver Community Conference a limited partner in the Michigan investment fund a venture capitol fund operation in Michigan, just starting this year.

We have just received tentative approval from the U.S. Economic Development Administration for our proposal to establish a revolving loan fund and support for the expansion of our—what we call our venture center. Now in the school where we locate our retraining programs and business development activities, we also have a small business incubator facility; so we are doing direct job creations right down the hall from the people that are looking for work and are going through retraining.

One of the things that we found that was encouraging is that major Michigan corporations were really willing to take a look at some of their purchasing practices to see if while still using the profit and low-price as their guidelines, taking a look at what they could do in their purchasing to increase job opportunities in Michigan.

Four firms of the leadership of Michigan Consolidated Gas, including Marathon Oil, Great Lakes Steel, and McCloud Steel, sat down with us with the purchasing director, and us, and rebidded everything they bought outside of the State of Michigan. We then put out a statewide effort to bring Michigan firms to meet with these corporations to look at what Michigan firms could supply to another market that might not have been aware of it and to date, those four firms have redirected an additional $1,000,000 in sales back to the Michigan firms that were previously going out of State.

What we are seeing is an opportunity for communities in the private sector to work together to focus on reemployment needs of our area of Michigan.

We thank you for your interest and your coming here to Michigan. Thank you.

Chairman MILLER. Thank you very much.

Reverend Dana.

[Prepared statement of Dick Buss follows:]

PREPARED STATEMENT OF DICK BUSS, DIRECTOR, ECONOMIC DEVELOPMENT, DOWNRIVER COMMUNITY CONFERENCE

While the first year of the Downriver Community Conference's retraining program for dislocated workers was seeing 72 percent being re-employed and within about one dollar an hour of their previous wage, 1982 didn't hold out any improvement for the Downriver economy.

What we needed to do was intervene not only on the supply side of the labor market, by retraining dislocated workers, but also on the demand side.

The only growth sector of our economy that we could identify was the federal budget and, in particular, military expenditures. But, what could a small group of communities do to assist businesses in such a complex area.

It took seven months of staff research, after participating in a congressional procurement conference and surveying attending firms to identify some of the "tricks and tools of the trade" that large firms use to obtain defense contracts. We decided to adopt the social services model of the "one-stop service center," but this time for business people, firms looking to increase sales and diversify into new markets. And we located our new Business Assistance Center down the hall from our resource center for the unemployed!

Now, two years after its opening, over 870 Michigan firms have used our services. And 96 of these firms have obtained 266 contracts worth over 59 million dollars, mostly from the Department of Defense. But we have found no quick solutions to reemployment. Only after two years are we seeing new job creation through these efforts. After the first year, the successful firms had an average employment of 16 with an additional eight on layoff. Now our clients have an average of 35 employees with only three on layoff. We have now placed fifty people in jobs through the Center in the last six months.

The impact of this effort brought the Center to the attention of the U.S. Small Business Administration and the Michigan Department of Commerce. Our three organizations have entered into a cooperative agreement for procurement assistance which continues today.

This local effort in one market has led the DCC and its Private Industry Council into a number of development and job-creation activities. The DCC Business Center was established as one of Michigan's first Small Business Development Centers and now is a participant in the SBA's statewide program of assistance centers through Wayne State University. The Michigan Department of Commerce supported an industrial development component to help the communities attract new business and retain existing ones. The new offices of the DCC have been located in an abandoned high school complex which now houses the DCC "Venture Center," a new business incubator facility providing entrepreneurs with reasonable lease space and a variety of business support services. (There are now six tenants and one is a new firm established through the obtaining of a $250,000 defense contract!) Through a two million dollar loan from the Ford Foundation, the DCC just last month became a limited partner in the Michigan Investment Fund, a venture capital corporation created for Michigan. (And they will open an office in the Business Center.) The U.S. Economic Development Administration has just approved expansion of the Venture Center and creation of a $500,000 revolving loan fund for the area.

The private sector is directly assisting in the area's struggle to diversify and obtain new markets. Four major Downriver firms, Mich Con, Great Lakes Steel, Marathon Oil and McLouth Steel Products, worked with the DCC to rebid everything they buy out-of-state. In just six months, over a million dollars in purchases are now going to new Michigan suppliers. And the State is now working to expand the program throughout Michigan.

What we have seen in just three short, but trying years, is that there really can be a public private partnership--one directed toward creating jobs while maintaining families during economic transition. The adjustments have been as difficult for

businesses as they have been for families. The support of the State and federal government to Michigan is paying off as workers retrain and firms retool.

A real working relationship is being forged Downriver. Social Service agencies and community resources are only a phone call away for the unemployed. Downriver businesses are creating jobs and they're turning to the Downriver Community Conference to help meet their expansion needs. The public and private sectors, labor, finance and industry are all sitting at the same table and pooling their efforts and resources.

Mr. Chairman, we appreciate the interest of the Select Committee in Michigan and I would be pleased to try and answer any questions you may have.

STATEMENT OF REV. MICHAEL DANA, JOY CHRISTIAN FELLOWSHIP, SOUTHGATE

Reverend DANA. Good morning. My name is Michael Dana, I am a pastor of a church in the Downriver area, also I think you already know a little bit of where the Downriver area is now from a couple of the people who have just spoken from the same area.

What we have been doing in our church is, about 9 months ago we started to take a look at and address the area of unemployment.

First of all, looking within our own body and members of our congregation that were unemployed—we had one brother who was in our church that I believe God had really given a vision to work in the area of unemployment. What we started with was a very simple plan: knowing that there were jobs available out there, and that it was just a matter of finding them.

So what we began to do was to make calls to various employers throughout the metropolitan area, starting in the Downriver area, developing some rapport with them.

From that little seed, 9 months ago, we have been able to find permanent employment for over 240 people. It is not just within our area now; we have people that come from as far away as Troy, and various other parts of the metropolitan area. I believe God has provided for us a lot of free publicity in a number of newspapers, radio programs, etc., which has helped.

Starting out, we just worked with our own congregation, and now we don't have any people that are unemployed. From there, we made it available to various other churches. We did not receive a whole lot of support from them, though.

As we kept talking to the employers, the number of opportunities for employment became greater than the number of people that we had to send out on referrals. That is basically what we are doing: we send people out on referrals; we contact employers—and now employers are contacting us.

Starting out most jobs were in the minimum wage category, but that is not the case now. If I were to give you some rough percentages, the salaries or hourly rates would probably range from: $4 or $5 an hour jobs, 40 percent; $6 to $9 an hour jobs, 30 percent; and $10 an hour and upwards, around in the 20-percent area.

A number of large corporations and most all of the major banks in the Detroit metropolitan area are utilizing our service; major hotels are also calling us.

What we try to do is to send the corporations people that are, first of all, qualified. That is, we do a lot of prescreening. We have people fill out what we call a job history. It is very much like an

application. It gives us background about what kind of work they can do.

We also ask enough questions to find out what their economic needs are so that we don't send them out on a job interview that is not going to even come close to meeting their needs.

Over the course of 9 months, I think, the program has been very successful. We believe that God delights in the prosperity of His children, and that God wants people employed. All churches should become actively involved in doing something like this to benefit their own congregations in their own communities.

That is about all that I have to say right now. I think you have a little brief outlining most of the information I have presented. I also have a small listing that does not even come close to the number of companies that are utilizing our ministry. You also have a copy of the job history form, so you can glance at that. If you have any questions, I would be happy to share more with you.

Chairman MILLER. Thank you very much, Reverend Dana.

Reverend Carter?

[Prepared statement of Rev. Michael G. Dana follows:]

PREPARED STATEMENT OF REV. MICHAEL G. DANA, PASTOR OF JOY CHRISTIAN FELLOWSHIP, SOUTHGATE, MI

Name: Reverend Michael G. Dana, Pastor of Joy Christian Fellowship.

Located: Southgate, Michigan.

Objective: The objective of the Job Assistance Ministry, a ministry of Joy Christian Fellowship, is to provide Christian-oriented guidance to persons who need jobs or who want to change the type of work they do. J.A.M. exists solely for the purpose of guidance and it has no obligations or functions other than counseling and referrals. Not an employment agency, either by definition or operation, J.A.M. does not guarantee the offer of a job to persons who register with us, nor does J.A.M. place anyone under obligation to accept any position to which he or she may be referred. The Job Assistance Ministry, therefore, makes no recommendations, only referrals.

History: J.A.M. was started approximately nine months ago. Since that time some five hundred people have registered with us and we have been able to refer approximately two hundred forty people to permanent employment. We have followed a simple plan of contacting potential employers and referring qualified potential employees.

One local employer likes what we are doing, because we do a certain amount of screening. He stated to us that out of sixty people sent to them through a state agency only three qualified, therefore, they are no longer inclined to use the state agency. This company is looking to hire some forty employees over the next couple of months.

Potential employees like what we are doing as a whole, because we don't give them a false hope. We send them on referrals where they have a good opportunity of being hired. We also give them some instruction on how to properly interview.

Staffing and funding: To date we have a seven person volunteer staff. Funding for the ministry has come primarily from Joy Christian Fellowship's general operating budget. Approximately 15% has come from outside contributions. In the future we are hoping to have an increase in outside contributions, particularly from major employers using the service to help defray costs.

References and forms: A partial list of employers who have used the ministry will be provided along with the job history form that we use.

LIST OF EMPLOYERS WHO HAVE USED THE MINISTRY

Aetna Industries;
Westin Hotel—Renaissance Center—Detroit;
Freddrick & Herrud Meats;
For-You, Incorporated;
First of America;
Wackenhut Security;

Guardsmark, Incorporated;
First Federal of Michigan;
Modern Cam & Tool;
Pleasant Valley Farms;
Best Wrecking, Incorporated;
International Telephone & Telegraph;
Fontana Forest Products;
University of Detroit; and
Federal Mugul.

STATEMENT OF REV. OSCAR CARTER, ADMINISTRATIVE ASSISTANT TO PASTOR, TABERNACLE MISSIONARY BAPTIST CHURCH, DETROIT, MI

Reverend CARTER. The Chairman, Representative Levin, and members of the Special Select Committee of the U.S. Congress, John Conyers, a member of our district and of our church, speaking for the pastor and members of the Tabernacle Missionary Baptist Church, as well as the community, I thank you for the opportunity to appear before you.

Unemployment has affected the Detroit community in every negative way: emotionally, psychologically, and physically. Crime in the city and in the Detroit metropolitan community has reached record levels. Wife abuse, child abuse, rapes, separations, and divorce are issues that are constantly revealing high statistics in the Detroit Free Press and the Detroit News, as well as radio and television statements.

Watching the long unemployment lines and hearing and feeling the tension of people who have been laid off or being threatened to be laid off has provided an overwhelming amount of stress in the community.

When mothers and fathers have both been laid off from their jobs, and their 16-, 17-, and 18-year-old youngsters cannot find a job, but feel that he or she needs to help bring home some food for the family, or money to pay the rent, mortgage, or utility bills, these youngsters then turn to armed robbery, purse snatching, and prostitution as a means of bringing money home.

Tabernacle Missionary Baptist Church began developing programs to meet the needs in the community over 10 years ago. Some of these programs are the Child Development Center, which receives children from ages 2 to 5 years old; and from 6 to 12 years old, before and after school; and a professional counseling program that has two components.

One phase is an individual counseling and group counseling program where we have psychiatrists, psychologists, and licensed counselors. This program is called the Tabernacle Center for Problems in Daily Living. It specifically works with persons who have alcohol and drug abuse problems. Persons do not have to be alcoholic and drug abusers to be in the program; for we realize that persons end up depending on these substances because of other problems that they feel they are unable to solve.

In the past 6 years we have found that alcohol and drug abuse has tripled. We receive clients who are white collar employees from major industries in and around Detroit; blue collar employees, husbands, mothers, and fathers. Drug abusers are not only the teen-

agers and young adults, but persons in their forties, fifties, and sixties, that feel the threat of losing their jobs.

For the first time in their lives they cannot support their families and their children have to drop out of college.

Another phase of the counseling program is the Center of Human Concerns, which is a group of professionals who are specifically trained in the behavioral sciences.

We offer community workshops every other month to help the community cope with stress and crisis. These are workshops on marriage enrichment, and financial counseling where parents were relying on both salaries and one of the two are laid off. We have been providing workshops on nutrition economy, as well as parenting adolescent youngsters during periods of stress and tension due to unemployment.

We have found the community response to be overwhelming in support of these kinds of workshops which have been helpful to them. Seven years ago the community response was very good; however, the Center of Human Concerns has doubled its size in terms of workshop preparation due to the greater demand for these kinds of programs.

Another program under the umbrella of Tabernacle Missionary Baptist Church is a Job Placement Program. This program is staffed by volunteers within the church in an office within the administrative section of the church.

These volunteers contact employers in and around Detroit. In return we invite members of Tabernacle Missionary Baptist Church, as well as members of the total community, to come to the church and apply for the jobs. We teach persons how to fill out applications if we find that they don't know how.

We review with every applicant the importance of being on time for an interview and proper grooming for an interview.

Our success rate of placement and retention has been very high. We have found that the requests for jobs have increased 4 to 1 in just 6 years. The frustration is that the jobs that are now coming in are requests for skilled and experienced workers. Many who come and apply for jobs are those who are not skilled in the area where the job is requested. There is no program where these people can go and receive training to be prepared for the special skills.

The unemployed do not have money to go back to school to be trained. Those who come to our job placement program with high school, college, or trade school training, do not have the experience that would assure the employer that this person knows how to do certain tasks.

These programs within the Tabernacle Missionary Baptist Church are not funded by any Federal, State, or private agency. These programs are funded by the church.

The desire to work is very strong in the community, but the frustration of not having the skills have reached a point where many men and women have given up on the system because they only have a 10th grade education.

Many high school graduates see how their brothers and sisters finish college and receive their degrees, and are home without a job. These youngsters give up on going to get a better education or training.

Another program we have at the Tabernacle Missionary Baptist Church is a food and clothing pantry program. Members of the Tabernacle donate canned goods every week to the church. Once a month, the community is invited to the church to come for food and used clothing. Seven years ago, the food and clothing pantry program would stay open for 4 hours, from 10 a.m. to 2 p.m., with the people coming sparingly over the 4-hour period.

During 1983-1984, there are now lines outside the door with 25 persons waiting in the cold to receive food and clothing from the church even before the doors open. Persons who have emergency food or clothing needs can have these needs met upon arriving at the church.

We feel that the increase of the food and clothing line has occurred because of high unemployment in the community. Seven years ago, most of the persons coming for food and clothing were single-family mothers. We have seen a dramatic increase of fathers and husbands coming to the church asking for food and clothing for his family.

Pride and self-esteem have reached a very low mark for very fine citizens in our community. We are seeing an increase in families moving from homes which they were purchasing but now cannot afford. Persons who were renting homes and apartments, but cannot afford to live in these places, now double and triple-up with other relatives just to survive.

When I share these kinds of problems, I am not only referring to the poorly educated, but individuals who would be expected to be successful, based on education, but has lost his or her job and cannot survive without help from relatives and friends.

The request for counseling has tripled as people seek and need to talk, cry, and let out these emotions that are growing from within them. Unemployment has had a drastic effect upon the family, and specifically children.

For the United States to continue to be the strongest Nation in the world, we cannot afford to allow our leaders of tomorrow to suffer educationally, emotionally, and/or physically because their parents were laid off with no means available to be retrained for skilled jobs without suffering economically.

The community needs programs where the unskilled can be trained to fill these skilled positions where employers are looking for persons who want to work.

America needs to reduce the unemployment lines, the soup kitchen lines, the food stamp lines, and the food subsidies line by providing incentives for employers to hire and train the unemployed person.

Thank you very much.

[Prepared statement of Rev. Oscar R. Carter follows:]

PREPARED STATEMENT OF REV. OSCAR R. CARTER, ADMINISTRATIVE ASSISTANT TO THE PASTOR, TABERNACLE MISSIONARY BAPTIST CHURCH, DETROIT, MI

To the Chairman, Representative Levin, and Members of the Special Select Committee of the United States regarding The Effects of Unemployment on the Family and Children:

Speaking for the Pastor and Members of the Tabernacle Missionary Baptist Church as well as the Detroit community, I thank you for the opportunity to appear before you.

Unemployment has affected the Detroit community in every negative way: emotionally, psychologically, and physically. Crime in the City and in the Detroit Metropolitan Community has reached record levels. Wife abuse, child abuse, rapes, separation, and divorce are issues that are constantly revealing high statistics in the Detroit Free Press and the Detroit News, as well as radio and television stations. Watching the long unemployment lines, and hearing and feeling the tension of people who have been laid-off or being threatened to be laid-off has provided an overwhelming amount of stress in the community.

When mothers and fathers have both been laid-off from their jobs, and their sixteen, seventeen, and eighteen year old youngsters cannot find a job, but feel that he or she needs to bring home some food for the family or money to pay the rent, mortgage, or utility bills these youngsters then turn to armed robbery, purse-snatching, and prostitution as a means of bringing money home.

Tabernacle Missionary Baptist Church began developing programs to meet the needs in the community over ten years ago. Some of these programs are the Child Development Center which receives children from age two to five years old and from six to twelve years old before and after school, and a professional counseling program that has two components. One phase is an individual counseling and group counseling program; we have psychiatrists, psychologists, and licensed counsellors. This program is called the Tabernacle Center for Problems in Daily Living. It specifically works with persons who have alcohol and drug abuse problems. Persons do not have to be alcohol and drug abusers to be in the program for we realize that persons end up depending on these substances because of other problems that they feel they are unable to solve.

In the past six years we have found that alcohol and drug abuse have tripled. We receive clients who are white collar employees from major industries in and around Detroit, blue collar employees, husbands, mothers, and fathers. Drug abusers are not only the teenagers, and young adults, but persons in their forties, fifties, and sixties that feel the threat of losing their jobs. For the first time in their lives they cannot support their families, and their children have to drop out of college.

Another phase of the counseling program is the Center for Human Concerns which is a group of professionals in our congregation who are specifically trained in the Behavioral Sciences. We offer community workshops every other month to help the community cope with stress and crises. There are workshops on Marriage Enrichment, and Financial Counseling where parents were relying on both salaries, and one of the two are laid-off. We have provided workshops on Nutrition Economy, Parenting Adolescence during periods of stress and tension due to unemployment.

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The desire to work is very strong in the community, but the frustration of not having the skills have reached a point where many men and women have given up on the system because they only have a tenth grade education. Many high school graduates see how their brothers and sisters finish college and receive their degrees, and are home without a job. These youngsters give up on going to get a better education or training.

Another program we have at the Tabernacle Missionary Baptist Church is a Food and Clothing Pantry Program. Members of Tabernacle donate canned goods every week to the Church. Once a month the community is invited to the Church to come for food and used clothing. Seven years ago the Food and Clothing Pantry Program would stay open for four hours, from 10:00 a.m to 2:00 p.m. with people coming in sparingly over the four hour period. During 1983–1984 there are now lines outside the door with twenty-five persons waiting in the cold to receive food and clothing from the Church even before the doors open. Persons who have emergency food or clothing needs can have these needs met upon arriving at the Church.

We feel that the increase of the food and clothing line has occurred because of high unemployment in the community. Seven years ago most of the persons coming for food and clothing were single family mothers. We have seen a dramatic increase of fathers and husbands coming to the Church asking for food and clothing for his family.

Pride and self-esteem have reached a very low mark for very fine citizens in our community. We are seeing an increase of families moving from homes which they were purchasing, but now cannot afford. Persons who were renting homes and apartments, but cannot afford to live in these places now double and triple up with other relatives just to survive. When I share these kinds of problems I am not only referring to the poorly educated, but individuals who would be epxected to be successful based on education, but has lost his or her job and cannot survive without help from relatives and friends.

The request for counseling has tripled as people seek and need to talk, cry, and let out these emotions that are grown from within them. Unemployment has had a drastic affect upon the family, and specifically children. For the United States to continue to be the strongest nation in the world, we cannot afford to allow our leaders of tomorrow to suffer educationally, emotionally, and/or physically because their parents were laid-off with no means available to be retrained for skilled jobs without suffering economically.

The community needs programs where the unskilled can be trained to fill these skilled positions where employers are looking for persons who want to work.

America needs to reduce the umemployment lines, the soup kitchen lines, the food stamp lines, and the food subsidies lines by providing incentives for employers to hire and train the unemployed person.

Chairman MILLER. Thank you very much.

Mr. LEVIN. Thank you very much for the excellent testimony. Thank you to all of you.

If I might ask, Mr. Buss, in your testimony, when you referred to it in your presentation, would you say, after describing the services of the Conference, and it is an organization that has become a model, and not only within Michigan, but throughout the country, you concluded, "But we have found no quick solution to reemployment." And then a little later, you indicate that you placed 50 people in jobs through the center in the last 6 months.

If you would expand, when you say you found no quick solution to reemployment, what has it been like in a facility that hasn't really developed its skills to such a high degree?

Mr. BUSS. Well, I was specifically referring to our really trying to do the job creation, economic development with the job openings, targeted to our dislocated workers in retraining.

What we found was, though, we were having a good placement rate from the retraining program in the first year; the economy was really going downhill in Michigan.

What we learned is, as far as business and sales were concerned, was that the firms that we were assisting, who were successfully expanding their sales, and in this new market area, selling to the Government; when we, through the first year of the program—these were very small firms with about 50 percent of their work force on layoff. What we were able to do was help those firms

recall people from layoff, so that is a positive employment impact as far as the State of Michigan is concerned.

What it was not doing yet was creating real new jobs for the people in our program who were being retrained. It is only now, and I can give you an example, where actual job creations that come and go. One of our Downriver firms was successful in selling a product to the Air Force, and he used to sell it commercially. Tow-tractors, large aircraft, that is a $15 million contract Downriver that is going to create 21 new jobs.

We had initially looked at some of the J.A.O. averages that say that one job is supported by earning $50,000, or $30,000 to $50,000 in a defense contract. And, frankly, for us, we had higher hopes, based on those averages, but it turns out that in the manufacturing environment, like Michigan, it probably takes $120,000 or $130,000 in the Government contract to really create one job because half of the order goes to some other supplier somewhere else in the economy or even out of State. That is what is taking us so long.

Now, we have enough new firms capably competing in this market that we expect the real growth in job creation to start really now.

Mr. LEVIN. Well, if I might, thank you very much.

A brief question to Ms. Wehking. Now, you heard, I think, testimony this morning earlier from the 10-year olds on the way that unemployment impacted on their lives.

Your testimony related in substantial measure to the school children?

Ms. WEHKING. Correct.

Mr. LEVIN. In your experiences, have you seen any distinct impact on younger children?

Ms. WEHKING. Yes. One of the things that I think is important to talk about is that children under the age of 6, specifically preschoolers, really don't have the language development to understand all about what is going on. The children who were testifying earlier and Doctor Vann were talking about children to be unfamiliar with vocabulary and wanting to figure out what is going on or having explanations that they found among their friends that sort of thing.

With children under 5, 3 or 4 year olds, 2 year olds, even babies are responding to circumstances in their homes; even though they don't understand what it is. They are only dealing with the fact that there is pressure and that there is havoc in their lives that has to be coped with. They don't have coping mechanisms or understandings about why what is happening is happening; and they also feel very powerless and at fault that they have done something in their short time on Earth that has caused this problem to be in their family.

Mr. LEVIN. Thank you.

Mr. MARRIOTT. Thank you very much.

First of all, to Reverend Dana and to Reverend Carter, I am very impressed with what your churches are doing. I think this is just tremendous. Now I am wondering, as you look around the community to all of the churches, are churches doing enough in these areas and in assistance with job applications. That referral program? Is this new? Can you give me some of your feelings on where

the churches are going and what they are doing to solve some of these problems?

Reverend CARTER. Well, let me, if I may. The churches have always assisted families. That is what the church is all about, a family situation; and the people have always come to the minister for counseling and the ministers will counsel them and refer them to wherever agencies that are available that will be able to help them.

So to say this is something new that the church is doing, no, it is not new. Some churches, because of their size, may be capable of having more structured programs, that you have seen today, than some other smaller churches, that maybe cannot afford to have it as a structured program; but churches have always been involved in regards to the size, as far as helping people.

And if ministers or any community and someone says that we have several jobs here and if you have members of your church who are looking for a job, please send them to me, ministers will send them. They might not have a program called job placement program in their church, but that is what the church is really all about.

Mr. MARRIOTT. Well, what about the idea of, I guess, Reverend Dana's testimony that they just established their job assistance ministry and they went from 0 to 240 referrals? Did you say that you found 240 jobs or you referred 240 people to——

Reverend DANA. We were able to assist people into 240 permanent positions of employment.

Mr. MARRIOTT. Did this come on as a result of the recession that you got involved, or has this been an ongoing program with the church?

Reverend DANA. Well, really, with us, it has only been in the last 9 months that we have actually put effort into this.

Mr. MARRIOTT. Well, my question was not so much are churches providing assistance if somebody comes and asks them for help; but do they have an aggressive program of job search in the community? Are all of the churches getting behind this concept in doing what Reverend Dana's church is doing? And if so, how optimistic are they about the results?

Reverend DANA. Well, as far as I know, no; most churches are not getting involved. In fact, I didn't even know that your church, Reverend Carter, had a program. It has been our experience that most of the churches that we contacted, for one reason or another, were very reluctant to even work with us.

There are various reasons that I won't address now, but to my knowledge, I only know of one other church that was addressing the area of unemployment as we are, and that was a church in Georgia. We received some training for the people that are involved on our staff, from what they were doing down there.

The brother in our church, who coordinates our efforts, went down there and was trained there. But in our area, particularly the Downriver area, we didn't know of any other church that was addressing unemployment. We have greater cooperation now, since what we are doing is proving to be successful. But, starting out, it was just a matter of us sitting down with a telephone and contacting employers and putting that kind of basic effort into it.

As the ministry grew, we began to do a certain amount of testing and counseling. We even refer some people to other agencies for assistance. The ministry has expanded a lot, even to the extent of doing job workshops for those that seem to be having greater difficulty in getting employment.

We have approximately 500 people registered with us, and they have all been out on referrals. Some of them have been out five, six, and seven times, and, for one reason or another were not able to get hired.

Because of this, we started doing workshops, looking at the do's and don't's of interviewing and teaching them interviewing techniques.

Reverend CARTER. Well, I would like to say that it is difficult to respond specifically on other churches, as far as what they are doing, because you are dealing in so many denominations, and that is the reason that I was a little hesitant in saying, "Yes, this is what is happening and this is a new trend," because the Baptists might be doing one thing and the Methodists might be doing another; Presbyterians might be doing something else, but all of them, in one way or the other, are assisting in this need that we have.

Mr. MARRIOTT. I have another quick question. This business of States trying to develop markets and jobs, and educating small business people to know how to find Federal contracts, defense or otherwise—could you just comment on that?

The reason that I bring this up is I will be leaving Congress this year and I am running for Governor in Utah and I will be more involved in what States can do.

But are States doing enough in this area?

Chairman MILLER. Don't tell him any secrets.

Mr. MARRIOTT. What about the State of Michigan? How are they doing in terms of business market promotion?

Mr. BUSS. Well, I think it is a little too early to tell in Michigan. Unfortunately, or fortunately, we have not had to be as aggressive in Michigan in business development until really just recently.

The State has accomplished a number of things in a short period of time that will improve its competitive position in development. One is putting together direct investment vehicles that are now available, and we have gone from a period, where 5 years ago there were three venture capital firms controlling approximately $80 million, to now, a point where we have investment funds approaching $1 billion available for business ventures in Michigan.

Really, it is just too early to say. We have the same kind of target industry approaches that other States have. We have assessed where some of our strengths are in business developments, compared to foreign competition in other States, and we will try and develop our comparative advancements.

Mr. MARRIOTT. My last short question has to do with day care.

The scholarship program appeals to me because I think we need to put as much emphasis as we can on K through nine and the early years—when we talk about education reform and limited tax dollars.

But what do you know about the quality of day care? We are getting a lot of people saying that it is too easy to get a license; that

these people who are day care providers are not as qualified as they should be; and we know birth to age 5 is so critical in terms of whether they are really excited about learning and achieving.

Can you comment just briefly about the quality of our day care centers, and whether or not we need to be tougher in the licensing area?

Ms. WEHKING. Sure; I think that in Michigan we are very fortunate that we have licensing regulations that providers encourage other providers to adhere to and to use. There is heavy peer pressure among providers to be licensed.

I think child care centers provide one of the few groups of people who lobby for regulations of their own, and that, as with any service or business, there is going to be a range of quality from very high quality to people who definitely need improvement in their service delivery.

One of the reasons why you would want to find training in the area of child development entrepreneurial is that the day care providers—this development money that we want is to precisely address the idea that you brought up that there is a variety of quality available that we can improve on it.

I think that there is definitely a commitment, at least in Michigan, to quality care; and then organizations, such as ours, help educate parents on choosing the care, so that it is really important that parents know what to look for and how to make those decisions, and that allows us to keep quality moving forward.

Reverend CARTER. May I make a response to that also?

We have a child development center at our church, and as an administrative assistant to the pastor, I am conscious of the child care, as I have to sign the papers.

One—we talk about quality care and child care. We have to also look at this child care program's need for money so that they can hire quality people, so that we can have degreed persons, and so forth, so that they can literally train these people.

We don't have the money in the area of preschool where we have persons who have college bachelor's degrees and master's degrees. Many people with college bachelor's, master's degrees, and doctorate degrees, go on to the higher levels because, economically, they can afford it. Most of the people who work in preschool are almost working at minimum wage. The director of Tabernacle Child Development Center has a master's degree in education but the State requirement for a director is only two years of college experience.

Ms. WEHKING. They are working at minimum wage. People with master's degrees, and Ph.D's, who were looking for jobs working with children, and are glad to get a job that pays $4 an hour because they believe in the importance of early education, because they believe that this is the most critical time of life.

But that also contributes to a very difficult problem in the area of two areas: poverty and—thrown out on the part of the people who represent children. You can only give your heart and soul for so long for $3 an hour before you say, 'I am working with children. I have a college degree. Why am I on food stamps?'

Mr. ROWLAND. Thank you, Mr. Chairman. Thank you for your testimony.

I have just two questions that I want to ask Reverend Dana.

Now, you talked about one person that was looking for employees and reference was made to the State agency—that out of 60 people sent, only 3 were qualified, and the individual was no longer using the State agency.

Is that the Department of Labor? Is that the State department that we are talking about here?

Reverend DANA. Michigan Unemployment Security Commission.

Mr. ROWLAND. Is it your perception, then, that the Unemployment Security Agency and the Department of Labor is not fulfilling its responsibilities and finding jobs for people?

Reverend DANA. Well, I think that I can only address it on a limited basis. In this particular instance and a few others, that was the case. They were, from our observations, just randomly sending people to an opportunity, whether they were qualified or not for those types of positions.

And as a consequence, the employer would have to refuse them. All that would do is produce a greater attitude of defeat for the individual looking for employment. So one of the things we try to do in screening our people that register with us is to send them out to referrals at which they have a higher probability of being employed.

Looking at it just from our vantage point, it would seem, that that's an area where the State agency seems to be, at least in our area, a little bit negligent.

Mr. ROWLAND. Does anyone else on the panel have any thoughts about how well the Unemployment Security Agency is functioning in this State?

Ms. NAGLE. Well, mine are very similar to the Reverend Dana's here. Of course, we have service delivery areas for Job Training Partnership Acts and we have to work with MESC, but we don't see them doing a lot of job placement.

We get most of the referrals from MESC to work with our unemployment training programs.

Mr. ROWLAND. Well, I have a question for you, Ms. Nagle, about medical care.

You said that the program was very successful, that volunteer physicians provided, in seven hospitals that was, the primary care, principally.

Suppose a person needed something more than primary care, that you had to go further than that; how is that handled?

Ms. NAGLE. Well with the seven hospitals Downriver, and that is what I know the best, they have committed themselves to this project, too. And previously, on the other panel, you heard about the Hill Burton funds. If that person has to go to the hospital for tests or for hospitalization, and they are eligible for Hill Burton, and that hospital does have that available, they will be taken care of under the Hill Burton.

However, if there are no Hill Burton funds available, and that person is not eligible but they still need that care, the hospital will absorb the cost.

Mr. ROWLAND. And are these hospitals community supported hospitals?

Ms. NAGLE. Yes, they are.

Mr. ROWLAND. And have you found that to cover the treatment adequately? Are there people going without medical care?

Ms. NAGLE. Well, I am sure that there are people going without medical care, but they should not have to, not in our area, at least.

Mr. ROWLAND. So it is available?

Ms. NAGLE. Yes, it is available in our area; people just need to know about it.

Mr. ROWLAND. Thank you, Mr. Chairman.

Mr. CONYERS. Well, I want to commend the panel for bringing to the attention of the select committee the tremendous initiatives that are going on out there. I think the economic development and job creation plans that were forced on the Downriver area is a model for many of us to look at, and I will be anxious to see how that fits into the Detroit initiatives that are going on.

I also hope that the MESC will have an opportunity to testify so that we understand exactly where their role fits in because their major operation is to pay benefits and retrain and reassign people.

So I don't think we should get too many people working off at a different angle. And if it is true that they need to be reassessed, we ought to be doing that because that is what the Federal money that that State project is going on.

I would also like to comment that it was determined by one of the witnesses that the defense sector does not provide as many jobs as you thought that it might. You thought $130,000 might be required for jobs. We found the same thing to apply at the Federal level, that more jobs can be created out of the nonmilitary sector than can be in the military sector. And we have also been impressed by the fact that it is the small businesses that are often creating more employment opportunities than the large corporations. It seems contradictory to people, but it is absolutely true.

And, finally, to Reverend Carter and the Tabernacle Baptist initiative, I think it really has to be put in a little bit more careful perspective. I only wish that that were going on in many other churches. The fact is, as one of the larger churches, one of the more successful outreach programs will be found there, but I think, if we really thought about this, all of the small churches, storefront churches, churches who are experiencing economic problems themselves, there are precious few resources on many of their parts; some of them don't have the luxury of having the experts and professionals around to make that kind of delivery system.

If that were so, we would have a huge network, almost of the churches alone, that would be supporting Government enterprises, which would be fantastic. But what I hear out of this, and tell me if I am wrong, is that the public-private mix has to go on, indeed, far more than it has this far.

In the private sector, the public sector—and then that breaks down into Government operations at the state and local levels, but must also be another component which is the community, citizens' groups that are created at their own initiative. So we really have only four levels of interplay going on here, and I think that your testimony has been very helpful in that direction.

Reverend CARTER. Well, thank you very much.

I agree with you. We are talking about the problems listening to each other. We need the politicians and preachers, and the people getting together and working together toward the same goals.

Mr. COATS. I appreciate the comments of my colleague Congressman Conyers, because I agree very much with him. I am very impressed with the model that the Downriver project can serve. Being from Fort Wayne, IN, and that area is part of the same region as Detroit, when the automobile factories are humming in Detroit they are humming in Fort Wayne. When they are not, we are not either.

So we share a lot of the same problems, and I am going to take back to my area much of what you are trying to do in the Downriver project, and see how we can apply it in Fort Wayne, and the surrounding areas. I think it is obviously a successful program here, and you are to be commended for your efforts.

I also was struck, as were other members of the panel, with the tremendous differences that seem to exist in terms of the success of the privately-initiated referral job services that the Tabernacle Church, Joy Christian Fellowship, and the Downriver project have initiated, and the apparent failures of the Employment Security Division.

I don't know that we have all of the answers for that, but certainly it is something that we ought to consider. We ought to look at why you are successful and why they are not. I hear the same complaints in Indiana about the fact that the Employment Security Commission is not successful in locating people, just pushing paper. They are discouraging people and sending them out without proper screening. The referrals are not the correct referrals. It just seems like it is a mechanical process.

You, obviously, are doing something that is successful, so I agree with Congressman Conyers that we should to reassess that agency and see how we can transfer some of your success to them.

I had a question for Ms. Nagle. In your testimony, you indicated that families of unemployed have experienced major periods of adjustments, which I don't think anybody will dispute. But you also said that many family structures have disintegrated, and many have pulled together and have been strengthened.

I wonder if you could elaborate on that and give the panel some indications or at least tell us, in your experiences, what factors have caused the difference? Why have some families been, as you say, pulled together and strengthened? What did they possess that the others did not; and maybe we can use some of this to help counsel others.

Ms. NAGLE. I think the bottom line is that they got into early intervention when they started experiencing problems, and we tried to encourage that with the unemployed that we see walking into our building.

We tell them that these are things that you are going to experience, and here are some suggestions to ward off some of these problems.

For instance, "Notify your creditors right away," and they will reduce the payments, rather than, as somebody mentioned here this morning, paying one bill one month and holding off for something else.

We have had tremendous cooperation with all of the mortgage companies, the banks, the utility companies in our area, as long as people notify them that they are unemployed and cannot pay the $60 gas bill but that you can pay $10. As long as you are consistent on that bill, even though it is very little, they are not going to shut you off.

So these people who heeded those words and got early intervention for financial problems seemed to fare a little better.

We also, for a period of time, as kind of an experiment, ran what we call a spouse support group," but since most of the people coming into our program happen to be men, it was mostly the wives of those unemployed. They come in for some peer counseling and some specialized workshop on how to rebudget their money. But they also hear from trained staff and from each other that these are problems that you are going to experience, and even though it might not help a lot when your husband comes home and is screaming at you, as long as you know that it is not you that it is directed at, but it is the anger from the unemployment, it makes it a little easier to handle. And they have some peer counseling-type things on ways to approach that problem and be supportive.

Other suggestions were if somebody is going back to school and hasn't been in school in 20 years, these are some things that you might want to do to make their job easier: to make sure that the kids are somewhere quiet so that they can study a little bit at night; things like that. We felt that people who availed themselves of help that was out there in the community to help them, and through our program, they came out a lot better. They knew somebody was there; they were encouraged to talk about problems with some of our staff when they did come in; and encouraged to use the hot line for referrals to community resources, and those are the ones that we saw that fared a lot better.

Mr. COATS. You advertised and got some publicity, I think?

Ms. NAGLE. Yes.

Mr. COATS. And do you also have a liaison with various companies and businesses so that if they are anticipating the layoff, they can refer names to you if that happens, or before?

Ms. NAGLE. Yes, we have developed that. Unfortunately, our first major program was the BASF, and that plant closed before we got in there.

Now, if we know that there are major layoffs, we do have a staff that will go into that company and tell them a little bit about what they are going to experience and what sources of help are out there in the community.

Mr. COATS. Have you felt that some of the companies cooperated in this?

Ms. NAGLE. Yes, they are getting really more attuned to the human factors that are involved with unemployment.

Mr. COATS. Well, you apparently found a willingness on their part to help contribute and support financially, or with some of their personnel and counseling.

Ms. NAGLE. Well, we had a lot of support, like in our emergency fund, from some local companies. They donate a couple of hundred dollars to help the needy families, especially if they know they are going to have some layoffs coming out of their plant. It is not as

much as I would like to see, but it is happening. It is a slow process; they are not used to working with us in that capacity, but it is starting to happen.

Mr. COATS. Thank you.

Chairman MILLER. Thank you very much.

I would like to thank all of the members of the panel for your testimony and your help, and we will contemplate this problem more.

Thank you very much.

The committee is going to take about a 5- to 10-minute recess for the court reporter, so that she can have a rest, and then we will hear from the third panel.

[Recess.]

Chairman MILLER. The committee will reconvene.

At this point, I would like to say to those that are interested in submitting statements to the select committee, we will hold this record open so that written statements can be sent to the committee. You either send them directly to the committee in Washington, DC, or through Congressman Levin's office or Congressman Conyers' office, and we will make sure that they are a part of the permanent record of this committee.

Obviously, we had many, many more requests to testify than we were able to accommodate, so we would hope that you will feel free to do that if you would like to.

Also, I am informed that the Michigan Employment Security Commission was asked to testify, and the two people who were able to respond to some of the concerns are in Washington, so we will cross in the air later this evening. But we hope they will be submitting a statement for the record.

I would hope that if there is somebody else here from the Department, that they would address the questions that were raised by members of the committee, and the previous panel that discussed some of the issues of concern about job placement and training.

Now, this panel will be made up of Shirley Tate, Dr. James Rosenfeld, and Ann Sheldon. We welcome you to the committee and look forward to your testimony.

Now, again, your written statements will be placed in the record in their entirety. Feel free to proceed in the manner in which you are most comfortable.

Ms. Tate is the executive director of the Office of Children and Youth Services for the Michigan Department of Social Services.

Welcome.

STATEMENT OF SHIRLEY TATE, EXECUTIVE DIRECTOR, OFFICE OF CHILDREN AND YOUTH SERVICES, MICHIGAN DEPARTMENT OF SOCIAL SERVICES

Ms. TATE. Thank you.

Representative Miller, Representative Conyers, and Representative Levin, and members of the select committee, I am Shirley Tate, director of the Office of Children and Youth Services of the Michigan Department of Social Services.

I welcome you to Michigan and I appreciate your invitation to testify on behalf of the children and families in this State who are

distressed because of unemployment, and the failure of public policy to adequately meet their growing needs.

Before I go into my speech, I would like to introduce Mr. Lee Khronenberg who is standing on the stage and who will be assisting me with the charts. He also assisted me in pulling much of the data together.

The charts that I have brought with me today vividly underscore what has happened to Michigan's benefit programs during 50 months of double-digit unemployment. I will also outline the policy practice and caseload trends which will shape programs during the next decade.

Further, I will share with you the impact we have documented of the economy on services to children and families, and the economic down-turn's direct link to increased domestic violence and substance abuse.

This situation requires your immediate attention and action as you prepare for the budget battle of 1985. Bold and decisive actions are required now by you and all advocates of children, youth and families.

Unemployment in Michigan has been devastating for the past 4 years. It has grown by 81.5 percent since 1979, when 335,000 were unemployed, to double the figure in 1982, when 661,000, or 15.5 percent of the work force became unemployed.

In 1983, we began to experience a small decrease in the percentage of unemployment to 14.2 percent. It was bolstered by the modest economic recovery the Nation is now experiencing, analysts project a further decrease to 12.3 percent in 1984.

However, when unemployment is compared with total public assistance recipients, the need in 1984 does not reflect the decrease in unemployment. Many fear that the number of recipients and the requests for assistance will continue to rise in some program areas, despite forecasts to the contrary.

Our department has been struggling with the 52 percent increase in program and service demand over the past 4 years, while our staff has decreased by 15 percent. Throughout those 50 months of a major recession, DSS has truly experienced a caseload driven by the economy.

An example is a comparison of the increase in numbers of the 2-parent families receiving public assistance because of unemployment, and that is reflected in our ADC–U programs; those families deprived of care because of the absence of a parent is reflected in chart 4, which is our regular ADC caseload.

Caseloads for regular recipients, while indicating a substantial total number reflecting on-going need, have been nearly stable. It has only been a 3.6 percent increase in that particular program, when compared with the need documented in the ADC–U that is experiencing a 247 percent increase.

The dramatic increase in caseloads can be noted in chart 5, which compares Michigan's years of unemployment and its impact on general assistance programs. These programs experienced 192 percent increase in 4 years. It helps primarily single people or childless couples who are unable or cannot find employment.

This State-funded program, with an average payment of $157 per month per person, hardly provides the basic essentials of life, and

it is obviously the last stop for single adults who have exhausted all other benefits.

In general, ADC–U and GA caseloads are the two most sensitive to changes in the economy. Despite an overall projected increase this year, in both ADC–U and GA, in the first quarter of this current fiscal year, ADC–U began to fall, reflecting, perhaps, the better chances for success of a two-parent family to find employment.

The young single adult may be less skilled and undereducated, and, consequently, suffers more in a tight labor market.

As we see it, while there are many persons who have suffered permanent displacement from manufacturing positions, they often are experienced persons in the job market and may possess other skills or abilities which can be utilized in finding and retaining employment.

Many young, single adults, on the other hand, are the high school graduates or dropouts of the early eighties who were largely unsuccessful as they attempted to enter a double-digit employment market.

Their fundamental adjustment to the world of work was nearly impossible. They have never had the opportunity to explore the different fields of employment, much less have job experience or pursue skills, or additional educational development, which would enhance and secure their employability.

Many Michigan citizens are experiencing unemployment for the first time after productive years of earning middle income in jobs that no longer exist. These new poor often entered the job market with minimal educations and marginal skills. They responded to the industrial market's need for mass production and assembly, and developed a dependency on industry for an income in parity with the cost of living.

When the recession claimed their jobs, many individuals had no transferable skills and were forced into long-term unemployment, and subsequent dependence on public assistance.

The Michigan labor market figures show that over 306,000 persons were considered as long-term unemployed in July 1983; the majority were production, machinery, and assembly workers, and their professional/managerial counterparts. Also hard hit were construction employees who reflected the unemployment in the industrial market.

The majority of long-term unemployed were between the ages of 25 and 44 years of age. One-third were female, and 84.8 percent were white. They reflect the number of middle-income families who were forced into the lower-income population. They also could remain there unless they are rescued by access to new job markets and the skills to go with them.

Demographics and the economy set the context for, and the limits to, caseloads, which is what our department is experiencing; but in many instances they do not adequately account for all of the dynamic forces which shapes them.

A recent long-range forecast, completed by the Department of Social Services, presents strong evidence that caseload trends often appear to be more immediately driven by the policies and practices of Federal, State and local governments and their agencies.

The report further indicates that the 1980's and the early 1990's are likely to be characterized by a dominant public opinion and social values significantly different from those experienced in the 1960's and early 1970's.

A call for reduced government size and less regulation will not fade. At the same time, we see a continuing polarity between the upper and lower economic classes; a continuing, perhaps growing resentment, by the low-income working classes not eligible for government-sponsored assistance, who see themselves as having less than those who receive assistance; and, finally, emphasis on individual responsibility and self support by those receiving welfare.

Changes in Federal Government policies and practices are also expected to affect the programs and services in Michigan during the coming decade. It seems apparent that the activism and liberalism of the sixties and into the seventies has been modified.

We expect a continued reduced rate of Federal dollars to States for human services, along with tightened eligibility standards for benefits.

Coupled with the continued down-sizing of State government and consolidation and preoccupation with resurrecting the job market, we expect local governments will continue to experience an increasing pinch caused by reduced State and Federal dollars.

Local capacity to increase revenues, the impact of caseloads, and cost of the State department's programs and services will be significant. Publicly supported, tax-funded programs will not be all comprehensive and services may be limited.

From this, it follows that to reduce caseloads, other self-supporting options must be developed. Perhaps more importantly, options for women must improve, as 80 percent of the poor in this country today are women and children.

Throughout the United States, 90 percent of the single-parent families are headed by women, half living in or on the borders of poverty. These figures also reflect the facts in Michigan where women, especially minority women, and children are disproportionately poor, compared to the rest of Michigan's population. Indeed, 90 percent of single-parent black families in Michigan are receiving ADC.

Children and their families face far greater challenges and barriers today than they have in the past. It seems evident that the barriers will continue to grow in the future. Too many of our young people today live in poverty, are ill-fed, inadequately housed, under-educated, and without the opportunity to work.

Too many of our young people are without strong, supportive homes. The burden of poverty is falling disproportionately on families headed by women, especially minority women. And as the facts and figures specifically related to minorities and all the child care systems, black children are far over represented, often captives who stay longer in the courts and institutional systems than should be necessary.

While child maltreatment occurs equally in stable and unstable families, most parent perpetrators have less than a high school education and are either unemployed or unskilled. Further, over half of the maltreating families receive income supplements from ADC.

Finally, family discord and family breakdowns are more often associated with child maltreatment than any other factor. My office has closely tracked the child welfare trends over the past 36 months, and our overall figures reveal some significant facts. Of the 10,843 children in foster care in Michigan today, 7,303 are in out-of-home placements.

The typical foster child is likely to come from a female-headed, single parent household. Of these homes, 63 percent of the female parents had less than a high school education, and 71 percent were unemployed at the time of their child's removal.

While there has been a gradual statistically significant drop in our total welfare caseload since January 1981, the drop is the result of fewer white children being served due to the deinstitutionalization and greater emphasis on permanency planning.

Yet, in spite of the overall drop, significantly, black children are in the system in every age group. Black children are also in care longer, but have less placement changes, largely due to the utilization of relatives to care for children, as well as fewer resources for placement of black children.

Our figures also show that for handicapped children in placement, there is a distinct racial bias. Black children with handicaps are more likely to be classified as mentally retarded, while white children are more likely to be classified as having learning disabilities. Black children are also more likely to be handicapped as a result of health conditions, while white children as a result of emotional illnesses.

These figures clearly demonstrate the need to recognize that the problems of families who are underskilled, unemployed, female, disproportionately minority, are interconnected with the caseload trends we anticipate in the future.

Increasing numbers of single parents must learn to cope with the stress of their environment which is disproportionately affected by their age, education, income, sex, and minority characteristics.

I would like to spend a few moments on domestic violence, domestic violence victim assistance and shelter programs to highlight the broad and deep effect of unemployment on family life. My figures are taken from a recent analysis of Michigan's publicly supported domestic violence services.

They include a demographic profile of both the victims and assailants who are in a wide range of age, educational level, and income categories. The data supports our belief that assailants have often had past exposure to violence in their family, and are twice as likely to have been abused as children themselves.

Drug and alcoholic usage by assailants is also common in domestic violence. In as many as 60 percent of the cases, assailants were substance abusers at the time of the assault. Our data also indicates that there is a relationship between income access and both victims and assailants in domestic violence. In Michigan's highest year of unemployment, 1981, 55 percent of the victims of domestic violence had an annual income of less than $7,000. Further, the percentage of assailants without any income at all was 15 percent.

Moreover, the highest concentration of assailants have been at the lower income levels during the fiscal years of high unemployment. In addition, the percentage of both victims and assailants

who were employed has fallen during the same period. This is probably due to the worsening economic conditions in the State at that time, rather than to any real changes in the victim and the assailant population or policies.

Employment is an important factor in substance data, as well. Figures taken from a drug abuse trend in the Detroit-southeastern Michigan area, where 44 percent of the State's population resides, demonstrate that budget reductions in substance abuse programs have resulted in considerable disruption in treatment.

While admissions to treatment programs in the Detroit-southeastern Michigan area have accounted for 37 percent of the State's total admissions for 1982 and 1983, 44 percent of whom were black, the proportion of cases working full time at the time of the admission has continued to decline. Indeed, from fiscal year 1980 through 1983, less than 19 percent of the substance abusers were working full time at the time of admission.

Recent improvements in employment and subsequent reductions in unemployment levels, at both the State and local levels, have not been reflected in the substance abuse population.

If anything, it appears that things are getting worse, with an overall increase in alcohol admissions, and a 51-percent increase in cocaine admissions in fiscal 1982–83.

Also, the users, especially for heroin, are younger. Virtually all, which is 90 percent, of heroin first-time users, are before the age of 25. It seems apparent, but appalling, that many young people who have been frustrated by the socioeconomic hard times, are increasingly seeking relief or escape through substance abuse. The long-term result of denied access and entrance into the job market, especially for young persons with a high school degree or less, can have long-term consequences in the choice of lifestyles which are drug or alcohol dependent.

In conclusion, I do have some recommendations that I would like to share with the committee. Michigan recently tied with New Jersey for last place in the amount of Federal dollars returned to the State, or 69 cents returned for each tax dollar. In 1982, Michigan citizens paid a little bit over 4 percent of the Federal budget, but only got back 2.98 percent of the total Federal expenditures and benefits. These figures, against the backdrop of Michigan's economy, do not make very good sense, despite our gradual recovery.

This State still has double-digit unemployment and will likely retain a lowered rate of employment throughout the anticipated recovery of the mideighties, but will not, within this decade, return to prerecession levels of personal income and employment.

Michigan, therefore, needs to look to itself and to you for the Federal Government to help it prepare for change from an industrial, product-oriented society to a service and information-based society.

As the number and percentage of women in the work force continues to increase, there is a need to prepare women and men and their families for the changing social and economic structure. The select committee needs to represent women and children at the Federal level by restoring and increasing support for services which will enhance the female, single-parent household. Day care,

family planning, programs for adolescent parents, and money management are vitally necessary.

The select committee and Congress also need to consider supports which will enable parents to move from the dependency on public assistance to self-sufficiency. Government policies need to provide and plan for the initial investment and increased cost incurred by that first step.

Programs for the unemployed will continue to be a major factor in reducing the number of related caseloads at the State level. Programs are needed that promote employment through participation in work experience, job training, educational, and skill-building programs that provide increased employment opportunities or enhance employability.

Prevention programs that promote self-help for a problem before it becomes overpowering is the only effective way to tackle the long-term problem of child abuse and neglect, and its residual programs of foster care, adoptions and delinquency. Prevention does not only stop child abuse and neglect; it stops domestic violence and criminal activity and the problems in interpersonal relationships.

Michigan has had to learn to accept the hard reality that its government cannot be all things to all people. So much of Michigan's population no longer looks to the economic present or the future. Before Michigan is left with a larger number of unskilled, harder to employ citizens, Federal, State and local government's policies need to move together to help provide alternatives that will allow the population to survive and change.

We need the help of the select committee and the Congress to communicate this to the Federal Administration. We need it now. The recovery of 1984 must not falter and push Michigan back to the paralysis of another recession. The next time that happens, we may never quite recover, and it will be America's loss.

Thank you.

Chairman MILLER. Thank you.

Dr. Rosenfeld.

[Prepared statement of Shirley Tate follows:]

PREPARED STATEMENT OF SHIRLEY TATE, DIRECTOR OF THE OFFICE OF CHILDREN AND YOUTH SERVICES OF THE MICHIGAN DEPARTMENT OF SOCIAL SERVICES

Representative Miller, Representative Marriott, Representative Levin and Members of the Select Committee, I am Shirley Tate, Director of the Office of Children and Youth Services of the Michigan Department of Social Services. I welcome you to Michigan and I appreciate your invitation to testify on behalf of the children and families in this state who are distressed because of unemployment, and the failure of public policy to adequately meet their growing needs.

The charts I have brought with me today vividly underscore what has happened to Michigan's benefit programs during 50 months of double-digit unemployment. I will also outline the policy, practice and caseload trends which will shape programs during the next decade. Further, I will share with you the impact we have documented of the economy on services to children and families, and the economic downturn's direct link to increased domestic violence, and substance abuse.

This situation requires your immediate attention and action as you prepare for the budget battle of 1985. Bold and decisive actions are required now by you and all advocates of children, youth and families.

THE ECONOMY AND ITS EFFECT ON BENEFIT PROGRAMS

Unemployment in Michigan has been devastating for four years. It has grown by 81.5% since 1979 when 335,000 were unemployed, (7.8% of workforce) to double the figure in 1982, when 661,000 or 15.5% of workforce became unemployed (Chart I).

In 1983, we began to experience a small decrease in the percentage of unemployed to 14.2%. Bolstered by the modest economic recovery the nation is now experiencing, analysts project a further decrease to 12.3% in 1984. However, when unemployment is compared with total public assistance recipients (Chart II), the need in 1984 does not reflect the decrease in unemployment. Many fear that the number of recipients and requests for assistance will continue to rise in some program areas, despite forecasts to the contrary. Governor Blanchard in his $5.38 billion spending plan for FY 84-85, proposes shifting about $92 million to environmental and education programs due to an expected reduced need for social service programs. Governor Blanchard contends that a smaller DSS budget would not mean lower benefit levels because an improving economy is expected to decrease the number of welfare cases.

Our department has been struggling with a 52% increased program and service demand over the past four years, while our staff has been decreased by 15%. Throughout these 50 months of major recession, DSS has truly experienced a caseload driven by the economy.

An example is a comparison of the increase in numbers of two-parent families receiving public assistance because of unemployment (AFDC–U, Chart III) and those families deprived of care because of the absence of a parent (AFDC–R, Chart IV). Caseloads for regular recipients, while indicating a substantial total number reflecting ongoing need, have been nearly stable (3.6% increase 1979–83) when compared with the need documented in the AFDC–U (247.2% increase) caseloads. The dramatic increase in caseloads can also be noted in Chart V which compares Michigan's years of unemployment and its impact on General Assistance programs. These programs experienced a 192.9% increase in four years. It helps primarily single persons or childless couples who are unable or cannot find employment. This state funded program, with an average payment of $157 per month per person, hardly provides the basic essentials of life and is obviously the last stop for single adults who have exhausted all other benefits.

In general, AFDC–U and GA caseloads are the two most sensitive to changes in the economy. Despite the overall projected increase this year in both AFDC–U and GA, in the first quarter of this curent fiscal year, AFDC–U began to fall reflecting perhaps the better chances for success of a two-parent family to find employment. The young single adult may be less skilled and under-educated and consequently suffers more in a tight labor market.

As we see it, while there are many persons who have suffered permanent displacement from manufacturing positions, they often are experienced persons in the job market and may possess other skills or abilities which can be utilized in finding and retaining employment. Many young, single adults, on the other hand, are the high school graduates or drop-outs of the early 80's, who were largely unsuccessful as they attempt to enter a double-digit unemployment market. Their fundamental adjustment to the world of work was nearly impossible. They have never had the opportunity to explore different fields of employment, much less bank job experience or pursue skills or additional education development which would enhance and secure their employability.

The New York Times published an opinion last month on the disappearing middle-class. The reasons, they found, are both economic and very political. The article stated that a "bipolar income distribution composed of rich and poor is replacing the wide expanse of the middle class." The reason for this, the article suggested, is caused by political decisions designed to disarm the mediating power of the middle class—a group which traditionally demands political and economic democracy. Certainly, this view is a factor when we consider Michigan's recession and the number of persons who may never again be gainfully employed.

The growth of numbers of upper income and lower income families and individuals could force more middle income persons/families into lower incomes, despite the recovering economy. The improving economy could reduce public assistance caseloads, but in Michigan, demographic factors and the state's changing job market will increase caseloads for certain categories of clients such as female/single-parent households, and technologically/industrially displaced workers.

Many Michigan citizens are experiencing unemployment for the first time after productive years earning "middle income" in jobs that no longer exist. These "new poor" often entered the job market with minimal educations and marginal skills.

They responded to the industrial market's need for mass production and assembly, and developed a dependency on industry for an income in parity with the cost of living. When the recession claimed their jobs, many individuals had no transferrable skills, and were forced into long-term unemployment, and subsequent dependence on public assistance.

Michigan Labor Market figures show that of the 306,467 persons considered as "long-term unemployed" in July, 1983, the majority were production, machinery, and assembly workers, and their professional/managerial counterparts. Also hard hit were construction employees who reflected the unemployment in the industrial market The majority of long-term unemployed were between 25 and 44 years of age, one-third were female, and 84.8% were White. They reflect the numbers of middle-income families who were forced into the lower-income population. They also could remain there unless they are rescued by access to new job markets and the skills to go with them.

TRENDS OF POLICY AND PRACTICE

Demographics and the economy set the context, and the limits to, caseload trends. But, in many instances they do not adequately account for all the dynamic forces which shape them.

A recent long-range forecast completed by the Department of Social Services presents strong evidence that "caseload trends often appear to be more immediately driven by the policies and practices of federal, state, and local governments and their agencies." The report further indicates that the 1980's and early 1990's are likely to be characterized by dominant public opinions and social values significantly different from those experienced in the 1960's and early 1970's. A call for reduced government size and less regulation will not fade. At the same time, we see a continuing polarity between the upper and lower economic classes, a continuing . . . perhaps growing . . . resentment by the low-income working classes not eligible for government-sponsored assistance who see themselves as having less than those who receive assistance, and finally an emphasis on individual responsibility and self-support by those receiving "welfare."

Changes in federal government policies and practices are also expected to affect the programs and services in Michigan during the coming decade. It seems apparent that the activism and liberalism of the 60's and into the 70's has been modified. We expect a continued reduced rate of federal dollars to states for human services, along with tightened eligibility standards for benefits. Coupled with the continued down-sizing of state government, and consolidation, and preoccupation with resurrecting the job market, we expect local governments will continue to experience an increasing "pinch" caused by reduced state and federal dollars. Local capacity to increase tax revenues, the impact of caseloads and costs of the state department's programs will not be all comprehensive and services may be limited.

From this, it follows that to reduce caseloads, other self-support options must be developed. Perhaps more importantly, options for women must improve, as 80% of the poor in this country today are women and children.

Throughout the United States, 90% of single-parent families are headed by women, half living in or on the borders of poverty. These figures also reflect the facts in Michigan where women—especially minority women and children—are disproportionately poor compared to the rest of Michigan's population. Indeed, 94% of single-parent Black families in Michigan are receiving AFDC.

SERVICES TO CHILDREN AND FAMILIES

Children and their families face far greater challenges and barriers today then they have in the past. It seems evident that the barriers will continue to grow in the future. Too many of our young people today live in poverty, are ill-fed, inadequately housed, undereducated, and without the opportunity to work. Too many of our young people are without strong, supportive homes. They are poorly cared for, neglected, abused. The burden of poverty is falling disproportionately on families headed by women, especially minority women, and as facts and figures specifically related to minorities in all the child care systems, Black children are far over-represented, often captives who stay longer in the court and institutional systems.

In Michigan, state-wide child protection and child welfare programs reflect the frustration and helplessness of these times. While there has not been an increase in substantiated referrals of abuse and neglect over the past four years, there has been an increase in numbers of referrals, number of victims, severity of abuse and neglect, and degree of family dysfunctioning. Our analysis also reveals that the severi-

ty of injury is disproportionately high when the perpetrator is a teenager or is Black, or when the victim is less than two years of age and is Black.

While child maltreatment occurs equally in stable and unstable families, most parent perpetrators have less than a high school education, and are either unemployed or unskilled. Further, over half of maltreating families receive income supplements from AFDC. And, while most parent perpetrators have an annual income under $9,000, that income group is decreasing, while the group with income over $20,000 is increasing at the same rate. Finally, family discord and family breakdown are more often associated with child maltreatment than any other factor.

My office has closely tracked the child welfare trends over the past 36 months and our overall figures reveal some significant facts. Of the 10,843 children in foster care in Michigan today, 7,303 are in out-of-home placements. The typical foster child is likely to come from a female-headed, single-parent household. Of these homes, 63% of the female parents had less than a high school education and 71% were unemployed at the time of their child's removal.

While there has been a gradual and statistically significant drop in our total child welfare caseload since January, 1981, the drop is the result of fewer White children being served due to de-institutionalization and greater emphasis on permanency planning. Yet, in spite of the overall drop, significantly more Black children are in the system in every age group (49% of 0–6 year olds, 57% of 7–11 year olds, 43% of 12 and up). Black children are also in care longer but have less placement changes, largely due to utilization of relatives to care for children, as well as fewer resources for placement of Black children. Our figures also show that for handicapped children in placement, there is a distinct racial bias. Black children with handicaps are more likely classified as mentally retarded, while White children are more likely classified as having learning disabilities. Black children are also more likely to be handicapped as a result of health conditions; White children as a result of emotional illness.

These figures clearly demonstrate the need to recognize that the problems of families who are underskilled, unemployed, female, disproportionately minority, are interconnected with the caseload trends we anticipate in the future.

Child welfare caseloads are expected to increase despite the Michigan and national trend towards a decreasing youth population. The highest demand for services we anticipate is in the area of preventive services for children in high-risk families. Increasing numbers of single parents must learn to cope with the stress of their environment which is disproportionately affected by their age, education, income, sex and minority characteristics. The highest costs for services will continue to be in foster care because of the rapid rise in per-child cost of services necessary to meet the need of the child for intensive, specialized care; and due to the increased use of purchased services as government agencies continue to down-size staff and recede from the area of direct delivery of services.

DOMESTIC VIOLENCE

I would like to spend a few moments on domestic violence victim assistance and shelter programs to highlight the broad and deep effect of unemployment on family life. My figures are taken from a recent analysis of Michigan's publically supported domestic violence services. They include a demographic profile of both victims and assailants who are in a wide range of age, educational level, and income categories. The data supports our belief that assailants have often had past exposure to violence in their family and are twice as likely to have been abused children themselves. Drug and alcohol usage by assailants is also common in domestic violence incidents. In as many as 60% of the cases, assailants were substance abusers at the time of the assault.

Our data also indicates that there is a relationship between income access and both victims and assailants in domestic violence. In Michigan's highest year of unemployment, 1982, 55% of the victims of domestic violence had an annual income of less than $7,206; further, the percentage of assailants without any income was 15%.

Moreover, the highest concentration of assailants have been at the lower income levels during the fiscal years of high unemployment. In addition, the percentage of both victims and assailants who were employed has fallen during this same period. This is probably due to the worsening economic conditions in the state at that time, rather than to any real changes in the victim and assailant population or policies.

DRUG ABUSE

Employment is an important factor in substance abuse data. Figures taken from a drug abuse trend report in the Detroit/Southeastern Michigan area where 44% of

the state's population resides, demonstrate that budget reductions in substance abuse programs have resulted in considerable disruption in treatment. While admissions to treatment programs in Detroit/Southeastern Michigan have accounted for 37% of the total state-wide admission in FY 82–83, 44% whom were Black, the proportion of cases working full time at time of admission has continued to decline. Indeed, from FY 80 through 83, less than 19% of substance abusers were working full time at time of admission.

Recent improvements in employment and subsequent reductions in unemployment levels at both state and local levels have not been reflected in the substance abusing population. If anything, it appears things are getting worse with an overall increase in alcohol admissions and a 51% increase in cocaine admissions in FY 82–83 over the prior year. Also, the users, especially for heroin, are younger. Virtually all (90%) heroin first use is before age 25 years. It seems apparent but appalling that many young people who have been frustrated by the socio-economic hard times, are increasingly seeking relief or escape through substance abuse. The long-term result of denied access and entrance into the job market, especially for young persons with a high school degree or less, can have long-term consequences in the choice of life styles which are drug or alcohol dependent.

CONCLUSION AND RECOMMENDATIONS

Michigan recently tied with New Jersey for last place in the amount of federal taxes returned to the state, or 69 cents returned for each tax dollar. In 1982, Michigan citizens paid 4.02% of the federal burden, but got only 2.98% of the total federal expenditures and benefits. These figures against the backdrop of Michigan's economy do not make very good sense, despite our gradual recovery.

This state still has double-digit unemployment and will likely retain a lowered rate of employment through the anticipated recovery of the mid-80's, but will not within this decade return to pre-recession levels of personal income and employment. Michigan, therefore, needs to look to itself and to you and the federal government to help it prepare for change from an industrial, product-oriented society to a service and information-based society.

As the number and percentage of women in the workforce continues to increase, there is a need to prepare women and their families for the changing social and economic structure. The Select Committee needs to represent women and children at the federal level by restoring and increasing support for services which will enhance the female, single-parent household. Day care, family planning, programs for adolescent parents, and money management are vitally necessary.

The Select Committee and the Congress also need to consider supports which will enable parents to move from the dependency on public assistance to self-sufficiency. Government policy needs to provide and plan for the initial investment and increased costs incured by that first step.

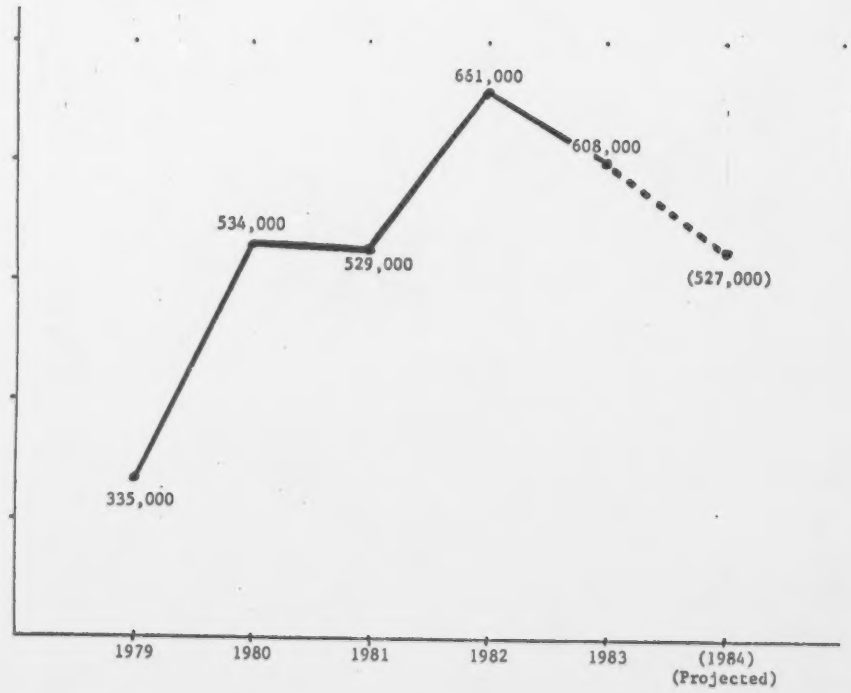
Programs for the unemployed will continue to be a major factor in reducing the number of related caseloads at the state level. Programs are needed that promote employment through participation in work experience, job training, educational and skill building programs that provide increased employment opportunities or enhance employability.

Prevention programs that promote self-help for a problem before it becomes overpowering is the only effective way to tackle the long-term problem of child abuse and neglect, and its residual programs of foster care, adoptions and delinquency. Prevention does not only stop child abuse and neglect; it stops domestic violence and criminal activity and the problems in interpersonal relations.

Michigan has had to learn to accept the hard reality that its government cannot be all things to all people. So much of Michigan's population no longer looks to the economic present, or the future. Before Michigan is left with a larger number of unskilled, harder-to-employ citizens, federal, state, and local governments' policy need to move together to help provide alternatives that will allow the population to survive and change.

We need the help of the Select Committee and the Congress to communicate this to the federal administration. We need it now. The recovery of 1984 must not falter and push Michigan back into the paralysis of another recession. The next time that happens, we may never quite recover, and America will lose.

MICHIGAN UNEMPLOYMENT



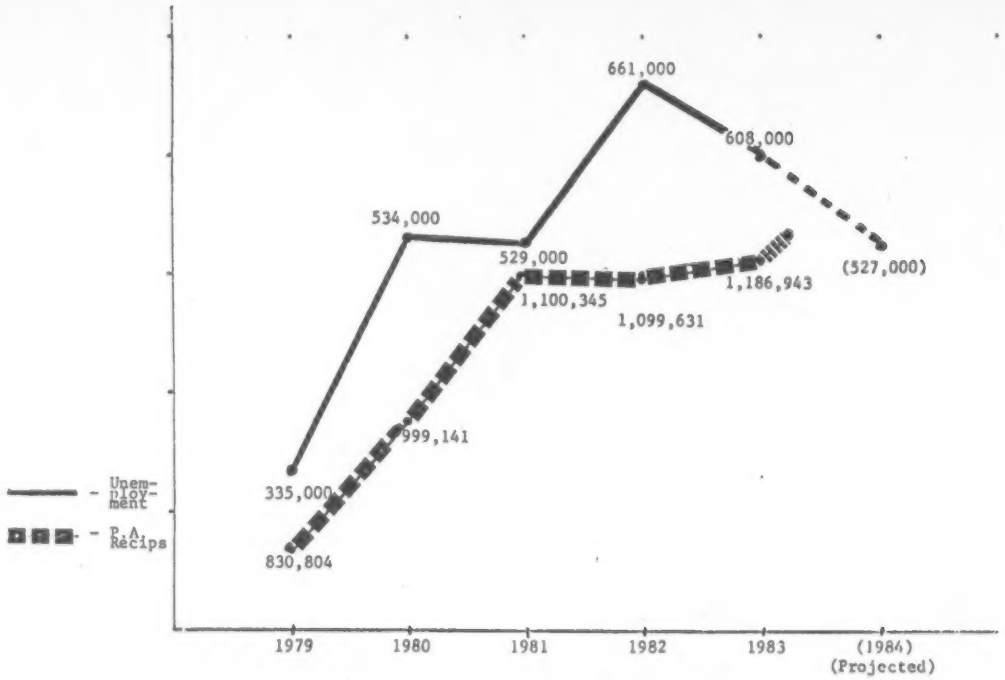
Source: MESC Report 3221

Chart 2

MICHIGAN UNEMPLOYMENT

Compared With

The Total Number of Public Assistance Recipients*

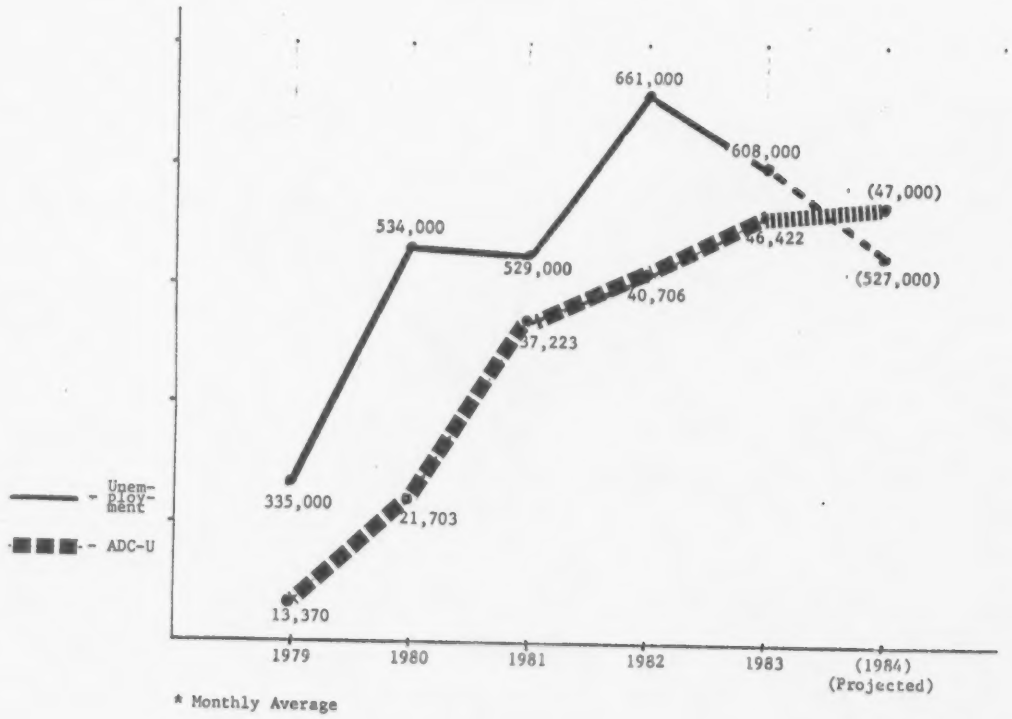


* Monthly Average for ADC, GA, ENP, Food Stamps

Source: MESC Report 3221 and MDSS Data Reporting Section

MICHIGAN UNEMPLOYMENT
Compared With
ADC-U*

Chart 3

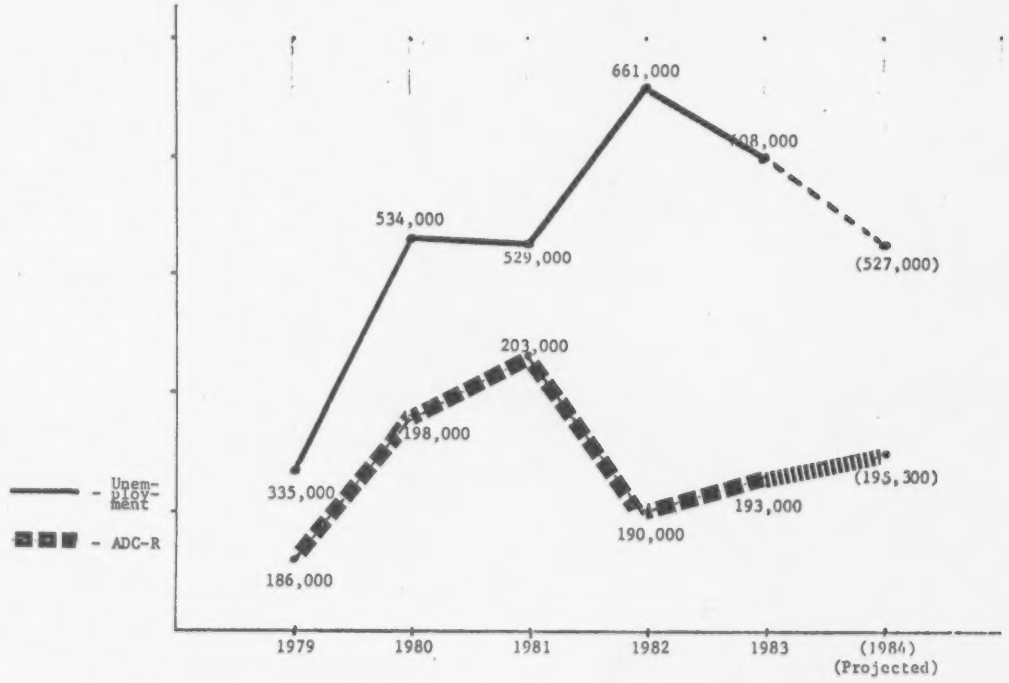


* Monthly Average

Source: MESC Report 3221 and MDSS Data Reporting Unit and MDSS Policy Analysis Section

Chart 4

MICHIGAN UNEMPLOYMENT
Compared With
ADC-R*

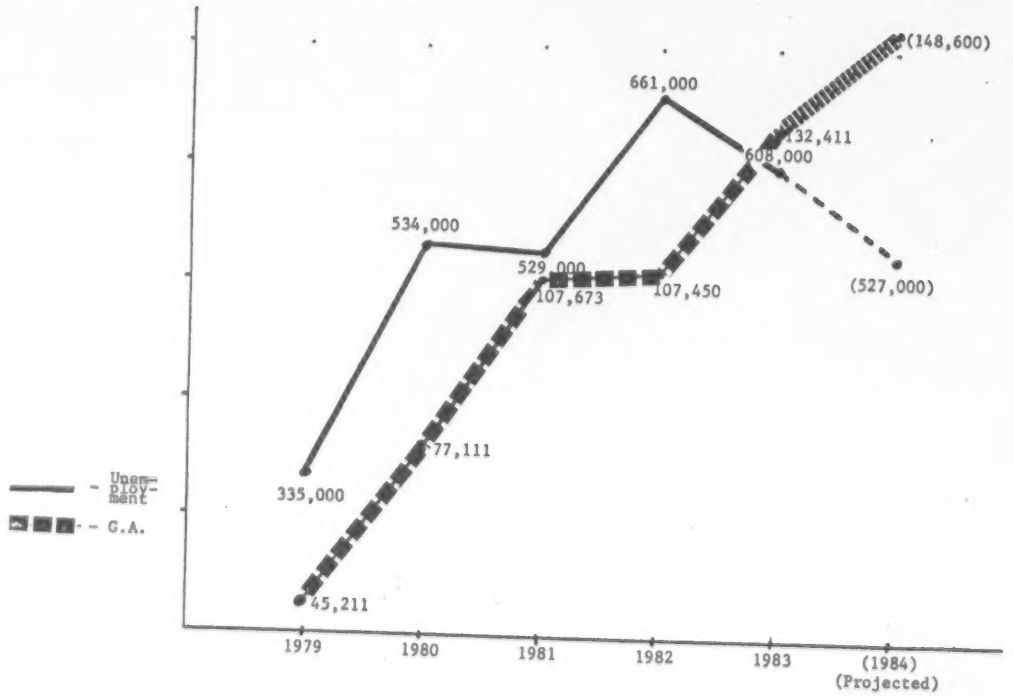


* Monthly Average (rounded)

Source: MESC Report 3221 and MDSS Data Reporting Section and MDSS Policy Analysis Section

Chart 5

MICHIGAN UNEMPLOYMENT
Compared With
General Assistance Cases*



* Average Monthly Caseload

Source: MESC Report 3221, MDSS Data Reporting Section and MDSS Policy Analysis Section

STATEMENT OF JAMES ROSENFELD, PH.D., CLINIC ADMINISTRATOR, OAKLAND COUNTY CHILD AND ADOLESCENT CLINIC, PONTIAC, MI

Dr. ROSENFELD. Mr. Chairman, members of the select committee, I want to thank you for the opportunity to meet with you today. I would like to introduce myself. My name is Dr. Jim Rosenfeld and I am the administrator of the Oakland County Child and Adolescent Clinic in Pontiac, MI. Basically, the clinic is a mental health outpatient service for children and youths in families in Oakland County.

One thing that I should point out about the clinic is that it sits midway between Pontiac Motors and GM Truck & Coach. It sits right in the center of downtown Pontiac, and in many respects, I think that the location of our clinic represents an opportunity for people to see that even in a county like Oakland, which seems be a substantially affluent county, that we have many of the issues that are being addressed here today present.

And that, maybe they are not so much in terms of the size, but I believe that we represent more than just a microcosm of the issues that are being reflected today primarily in the Wayne County area. The title of this hearing, as I understand it, is the issue of long-term impact of unemployment on the children and their families.

In addressing these issues, I would like to share with you several views that come from the staff of our programs relative to today's problems and tomorrow's problems.

First of all, in reference to information presented by Ms. Tate, we have seen similar trends and are deeply troubled by them. I should point out that our numbers are small and the reason that our numbers are small is that our experience comes from that of a mental health clinic; one clinic and one city. And information just presented relates to Statewide larger statistics.

I think that from the data that I have supplied to the committee, this issue is not the numbers that count; the issue is the trends that are indicated by these relative changes and in the percentages that we have experienced.

The first concern relates to juvenile neglect. We have experienced in our agency a 100-percent increase in referrals from the Oakland County Juvenile Court, and a 270-percent increase in referrals from protective services to our office, meaning to provide mental health care for youngsters who are troubled, who have been abused or neglected.

At the same time, we ourselves have experienced, by virtue of our legal responsibilities of the Michigan Child Abuse and Neglect Act—by the same token, we have increased, by 450 percent, our referrals to protective services regarding the youngsters who have come to us, not previously reported, who have been abused or neglected.

Now, it becomes very difficult to say specifically that unemployment causes the child abuse. As many people have pointed out this morning, we are dealing with a highly complex problem. And as we look at what we are trying to find solutions to, the problems and their complexities, we can only infer that problems in the economy,

problems of unemployment, have to be a substantially important cause of variable and what we believe are the major increases.

We do not believe that the increases are an effect of tighter reporting regulations because, quite frankly, abuse and neglect reporting takes place on the part of the individual clinician, perception of the problems, and responsibilities that are not administratively governed. They really come from within the heart of clinicians, as well as from a clinician's understanding of the law.

We believe that the increase in incidence only reflects an increase in incidence, and that alone. We have, in our clinic, despite the fact that our clinic has served in the entire Oakland County area, a cross-section of the social-demographic variables that one would look to—our clinic serves the community at large. However, over the past 5 years, we have had a substantial increase in single-parent families, coming to our clinic for assistance, substantial increase in families that are single parent by virtue of becoming broken homes; and beyond that, we have noticed substantially more ADC families coming to the clinic.

Now, at the time that we have had increased demand on our clinic for services, we have suffered our own internal problems, and that falls under the unpleasant title of "cutback management." In the past 5 years, our clinic has been reduced by 25 percent—in terms of our staff.

At the same time, we have, because of increased demands on us for service, had to figure out how to increase our outreach to people, and we are now serving approximately 54 percent more people than we were 5 years ago.

Now, that is not tricky arithmatic. What it means, quite simply, is that we are serving more people with less service. The whole issue of increasing the number of people that we serve can only be affected by us cutting some people out of service and cutting other people down. It really means that, inevitably, not just in our agency but in the whole human service system that we, unfortunately, affect the quality of services because we turn out people from our system before we feel that we have effectively dealt with their problems and concerns.

On top of it, the other present picture that we see is a worsening set of variables. We see many circumstances where we are concerned simultaneously within the same family with child abuse, spouse abuse, substance abuse, as well as the internal emotional problems felt by all parties as a result of these issues, coupled with unemployment and a lack of hope for what the future might bring.

All of our staff believe that things just are not as simple as they seem, as they were a number of years ago, and the older child guidance clinic movement, where we had youngsters brought to clinics, such as ours, primarily because they had mental health problems. Our belief is that many of the mental health problems that we see in youngsters in our clinic are basically the result of these more socioeconomic problems that exist in the community, so that we treat the casualties; we don't treat the cause of the problem.

In many respects, the information that I have presented to you should be sufficient enough to give someone cause for alarm; and certainly sufficient that we should all have great concern. But as we were thinking about these issues, we developed an even greater

concern about issues of long-term impact. The problems that we are dealing with now will become, we believe, the problems that we will be dealing with in the future decades.

First of all, with the families that we see, we are dealing with many people whose unemployment is chronic. Second, we are dealing now with many people who are referred to as the new-chronically unemployed. We see casualties of our economy, casualties of our new high-technology society. We see parents who are being replaced by the advances of a roboticized industrial base; and at the same time, we see children who are being inappropriately, ineffectively prepared to try to enter into that economic mainstream.

Thus, with this in mind, one of our first concerns is how families can view positive attitudes towards future prosperity, given today's adversity. Many of the families that we see, quite frankly, seem to be only alienated directionalists and defeated. They are not sure where they are going to go from here.

We are concerned that, in many respects, these problems will have a long-term effect on children; that the effect will be alienation, a lack of belief that the system can live up to its responsibilities.

We are concerned that there will be an acculturation to poverty, that youngsters who are not being equipped through the educational system with adequate job skills, who are not being equipped, based upon their own experiences as children, to be the most adequate parents; that these youngsters will, when faced with the realities of the adult world, find themselves alienated, and that that alienation will go in one of two directions: It will either be toward themselves, tantamount to feeling depression and despair; or toward others in terms of aggression toward community, family members, and society in general.

We have been finding, by the way, an increased weakening within many families, their capacities to cope with their parenting responsibilities. Unemployed parents have major difficulties coping with educational problems of their kids, whether it is bringing home a report card with poor grades, or hearing a report from the school counselor that there are behavioral problems in the classroom.

Parents just don't have the energy to cope with all of these issues and coping with their own problems and their own fears about how to put food on the table for their children.

In relation to the issue of food on the table, our clinic, as a mental health clinic—basically an outpatient clinic where people come to us—we cannot speak first-hand of the problem of hunger. But on the other hand, we have some very strong suspicions that many of the youngsters who come to see us are hungry, that they are malnourished, that if we just look at the economic considerations that we do, and adjusting client needs to service, because they are unable to pay the full fee established by the State of Michigan, if we look at the family budget, and we are not sure how they can afford to eat very well either.

In many respects, we feel that this whole issue is quite sad, because a couple of decades ago, we referred to the other Americans, and it seems in many respects that someone in our society has forgotten that the other America has always been our America.

In addition, we are concerned about the continuing debate about the role of Government and its responsibilities to do something in terms of public policy relative to these problems.

If children are neglected, if they are abused, if they are locked up, if they are so-called latch-key children, children who are kept at home while their parents are out scurrying for work, if they are children who are nutritionally deficient or hungry, if they are children who are fearful of both their parents and of the community and the system, then we have to ask ourselves, "How many minds are going to be wasted? What are we going to lose, in the long run, as a result of these effects?"

It is incredible that we focus, in our society, a substantial amount of concern on the ecology of soil in the air, but seem to lose track of our priorities for the ecology of the mind; our most precious resource in this society being our children.

Now, if we look in the long run, if we look in terms of long-term consequences of these issues, the question might be "Where do we go from here?"

Our staff would say that our human service system now is analogous to expecting an anorexic patient to run a marathon. We are continuing to do more with less, and it is not magic, because it is more in terms of frequency context, and it is not more in terms of quality of service or the effectiveness of service.

We have serious concerns that, heretofore, the existing services system that was put together piece-by-piece, is now becoming systematically dismantled. Even though there is a concern about the upswing of voluntarism and, certainly, there are some indications that voluntary efforts work, we are concerned that the scope of the problem that we are dealing with surpasses the scope of the capacity of any voluntary approach to these problems.

We also are concerned about the issue of a minimum baseline to services. We have heard examples, for instance, of the proverbial safety net, that people would not drop below the level of the net.

We know, in our adult services, that, unfortunately, given the decrease in the size of patient loads in State hospitals, that our adult service clinics are focusing on the most severely mentally ill, so that people who are dealing with life-crisis problems, as we have been discussing today, are either put on a lengthy waiting list or are turned away from clinics because they are not presenting problems that are diagnosed as being bonafide mental illnesses.

In many respects, our view of the safety net is that it is filled with more holes than netting. Our concern is that the problem is very complex, and that we can get trapped, in many respects, to looking at the problem in its complexity and be baffled for solutions.

In terms of the concern and problems about the role of Government, we are reminded that it is our Constitution, the basic law of the land, that our laws start by referring to the general welfare of people. We seem to be living in a society where "All people are created equal," is only that the "only some are more equal than others," who prevail. How unfortunate a commentary on our society.

If we look toward the long-term future and we look at the consequences of the problem, our goal, it seems, simply, is that people

that have the opportunity to be the best self they could, to be the most productive worker that they could be, to be the most effective parent that they could be, and be the most effective citizen that they could be.

Now, in order to arrive at that, it seems to us that we would have to have a system in existence that uses effective methods and equitable means of distribution, coupled with several things that would come from individuals themselves: One is sufficient skills and abilities to master the responsibilities in life; Second, knowledge and understanding of what is necessary to do that; and, Third, attitude and beliefs; a belief in a hope for the future; and that all of this could add up to a person being a successful and productive person in all ways.

The people that we have been talking about today, we are not very hopeful; and the equation that I just went through would apply to their lives, and that 5 years, 10 years, or 20 years down the line, we might again be meeting and looking back in retrospect, in terms of the effect of these problems on people.

Mental health and well being are simply based on several things: A safe and secure and emotionally warm home; nutrition and nurturance; positive experience and faith in the possible; love from and love to others; love of one's self; trust in family and social institutions; positive, rewarding engraining of societal norms within one's psyche and soul.

Unemployment, particularly chronic unemployment of parents, decays everyone of these variables. The problem is not new. Today's hearing is just a present reminder of that fact. The problem, perhaps, is only more insidious.

Perhaps, for many in our society, their vision of this painful reality has only become more dim. We don't feel that we can safely and consciously predict the outcome of these problems.

On the other hand, we are concerned about errors if we don't try to prevent this.

As a postscript, I should add one thing: The most despairing inference of all, and that is that all of that which I have shared with you today has related to the people that we serve.

We are, perhaps, more substantially concerned about the people that we don't serve, people who don't have transportation capacity to even access our clinic; the Hispanic population who finds cultural and language barriers to our services; and on top of that, the people who are already sufficiently alienated from our human services system that they don't have faith that we could make any difference in their lives.

We are concerned that many parents and many children have, unfortunately, turned themselves away from us and away from themselves.

Thank you very much.

Chairman MILLER. Thank you.

Ms. Sheldon.

[Prepared statement of James E. Rosenfeld, Ph.D., follows:]

PREPARED STATEMENT OF JAMES E. ROSENFELD, PH.D., CLINIC ADMINISTRATOR, OAKLAND COUNTY CHILD AND ADOLESCENT CLINIC, PONTIAC, MI

Mr. Chairman; Members of the Select Committee on Children, Youth, and Families; and ladies and gentlemen. Thank you very much for the opportunity to appear before you today to present our views on problems of children of the unemployed. I am here today representing the Oakland County Community Mental Health Services Board and more specifically, the agency which I administer, the Oakland County Child and Adolescent Clinic in Pontiac, Michigan. This Clinic has provided public, out-patient mental health services to youngsters and their family since 1973. Through assuming the responsibilities of our predecessor agency, the Oakland County Child Guidance Clinic, we have provided a continuity of child and adolescent mental health services in this county that is now into its fourth decade. Through this continuity, we have been able to see and reflect upon changes in the field of mental health as well as changes in stressors from the environment that affect the youngsters and the families who we serve.

As we all know, the past several years have been times of severe economic distress. Our Climic which serves the northern half of Oakland County has witnessed several troubling developments in the lives of youngsters and their families. These developments we see as being intrinsically related to problems of the economy and specific family experienced problems of unemployment.

For the most part, the views that I share with you today are reflective of events of the past five years. During this time, we have noted:

(1) A substantial increase in the number of neglected and/or abused children who are being seen by the Clinic. For example, comparing the year 1983 with the base year of 1979, we have seen a 100% increase in referrals to us from the Juvenile Court. We have seen a 276% increase in referrals from our local Protective Services office. I am providing you with a written presentation of the full scope of this data. While the total numbers, to some readers may not seem substantial, we believe that the percentges themselves are particularly revealing. We think that they are indicative of problems found in areas that are economically hard-pressed. As you know, this area of our county, as well as our whole metropolitan area have been particularly hard-hit by the state of our economy and the past several years' struggles of the automobile industry.

At the same time that we have experienced such increases in referrals, we have likewise had a substantial growth (relative to our total caseload) of reports that we have made (under mandate of law) to our local Protective Services office. Using 1980 as a base year, we have found a 450% increase in such reports. Again, while the actual numbers may seem small, we are particularly distressed by the trend indicated. Abuse and neglect are certainly on the increase. We do not believe that this is a function of tighter reporting requirements or increases in staff member sensitivity to the problem. Incidence itself has increased.

(2) The number proportion to our caseload of single parent families accessing our Clinic for services has increased. Now, more than one-half of our clients are ADC families. This Clinic has always served the community-at-large. Many of our patients have been funded for service from us by employee insurance benefits. This agency has never been seen as focusing solely nor primarily for medically indigent families. However, given our local trends of unemployment, of marital dissolution, and socio-economic distress, we do see more single parents, more unemployed parents, and parents who are both single and unemployed.

(3) An increase in the total demand for services at a time that for us, and the public/private human services sector, is a new era of "cutback management," an era of doing more with less. In the past five years, we have experienced a staffing cutback of 25%. In the meantime, our 1983 requests for service are 12% higher than five years ago. On the otherhand, through a number of administrative and clinical attempts at maximizing our productivity in "lean times," we were able to actually serve 54% more clients than five years before. These figures, however, should not lead one to consider that we have excelled in the art of making our operations more efficient (even though we would all contend that the one positive aspect of this complex socio-political-economic problem is that we have improved efficiency). In effect, we serve more people by serving more with less. Patients who heretofore were seen in appropriate continuous therapy are now more rapidly disengaged from service to make room for those people with acute problems who are waiting to enter our programs. We do not claim that we have found the way to make people better faster. Instead, we have shifted our focus to serving people with more acute and more severe problems. Nevertheless, those people whom we have have shifted from have real, painful presenting problems. Given the state of our fiscal circumstances cou-

pled with increased demand for services, the latter people will have to either wait or not be seen at all.

(4) Our staff report that the aggregate picture of patients and families whom we serve indicates a worsening set of individual and family problems. We now see more youngsters and families with multiple and complex problems. We see families with youngsters with emotional problems, parents with emotional problems, severe economic distress, marital discord, substance abuse, and people abuse. Not all of those we serve have all of these problems. But, our staff believe that we have seen more and more multi-problem families within the past five years.

These clinical/quasi-statistical statements, unfortunately only portray a part of the picture. I would venture to say that most comparable service agencies would be able to point to similar statistics and perceptions. I think that it is important here to look at several concerns from the perspective of child and parent experiences relative to these problems. Such experiences are salient not only because of today's pain and frustration, but we believe, because of the long-term impact that they may have on the development of children and adolescents in terms of their capacities to assume healthy, happy, and productive roles and responsibilities in adulthood.

We see in the Clinic a substantial number of parents who are unemployed. For many their unemployment is chronic. For many both their unemployment and its chronicity are new. We are seeing parents who are the casualities of our economy and of the new "high tech" society. We are seeing youngsters who we believe are walking in the footsteps of their parents. If parents are displaced by the advances of roboticized industry then their children may be industrially obsolete before even attempting to join the ranks of the workforce.

We believe that for many families there is little hope that today's adversity will be replaced with prosperity. We see parents who feel directionless, alienated, and defeated. We see families where frustration is contributory to despair, disillusionment, and self denigration. We see families who have shifted from hopeful, positive, nurturing parenting to pessimistic, negative, and damaging relationships with their children. The exacerbation of family crises that we notice seems to be directly related to a displacement of parental frustration. Parenting, instead of being a joy, becomes an adversity. Childhood pleas for attention—Childhood demands for direction become another source of stress—another source of irritation. Some parents whom we see either detach from their children or attack them.

We are seriously concerned that parental alienation will become child alientation. Alientation from each other. Alientation from community and society. We are concerned that the new, chronic unemployed will fast become the new poor. We are fearful that our society may be moving up for some but moving down for others. Acculturation to poverty causes a diminishment of self-valuation. We believe that the mental health and over-all well-being of children, adolescents, and adults is substantially dependent upon one's ability to see oneself as valued, respectable, trustworthy, competent, caring and cared for. We see brewing the development of a vicious cycle that will eventually lead to a turning of one's alienation either outward in aggression towards a perceived unfeeling society, or inward towards one's devalued self. If one finds that no person nor any social agency provides for viable solutions to problems, then where does one next turn? We would contend that some people turn on themselves and some turn on others. Social isolation and its related pain only deepens the wound. If one perceives his or her plight as being unheeded—as being a turning from the "general welfare of the people" ethic of our constituted society, then such a person and members of his or her family will only conclude that they alone must cope. In earlier days, we talked about a "war on poverty." Now, in some sectors of our society, the conventional stance is to deny, or in fact, ignore poverty.

In many respects, in these remarks I have stressed our views on the effect of unemployment on parents and its concomitant effects on their children. As parents are weakened by stressors from chronic unemployment, we believe that their efficacy to parent is likewise impaired. Discouraged parents have diminished sympathy with and involvement in problems of their children's education. We frequently act as parent/child advocates in assisting families to mediate an increasingly complex educational system. We do not believe that we can substantially bolster parents diminished belief in the viability of education to provide for personal well-being and prosperity when they feel alientated towards a social institution that they believe "let them down."

We are concerned about hunger. We have little direct evidence to substantiate our concerns. However, all of us in human services know clearly that there is a direct relationship between the economic condition of a family and its ability to provide for quality nutrition. We suspect that many youngsters seen at this Clinic are

insufficiently nourished. Hunger provides the painful somatic reminder to children and their parents that they are "the unfortunate." All of these reminders juxtaposed to fast food restaurants, video arcades, and designer clothes experienced by their contemporaries only several miles or several houses away. Television commercials and a simple walk down the street tell children that someone in our society eats well. Hungry children and parents too presumably say to themselves—why me?

It is interesting that today we are concerned with the unemployment of the eighties, the consequential feelings of alienation, decreased self-efficacy, isolation, and maladaptive coping with the vicissitudes of life; the problems of diminished well-being and its impact on children and adolescents which in an holistic sense reduce everyone—parent, child, community, society, you and me.

It is interesting to note that today we are discussing issues that were the theme nearly two decades ago when we were discussing the "other America." How quickly that we forget that the "other America" is "our America." We talk too frequently about what our "system" is going to do about the problem. There are apparently some within our society who question whether it is the role of government to do much if anything about the problem.

If a child is neglected or abused, if a child is locked-up for the day (a "latch-key" child) whose parent is out scurrying for a job, if a child is nutritionally deficient or hungry, if a child is fearful of the present/hopeless for the future, if a child is distrustful of parent, teacher, or of the world, then what havoc will these pains play on the view of that child of himself or his world. How many such children are we going to lose? How many minds are to be wasted? Many times we have heard that this country's most precious natural resource is its children? We need to focus on an ecology of the mind as on an ecology of the soil and the air.

Where do we go from here? The perennial question. We seem always to be going somewhere but never really getting there. Our human service system is analogus to expecting an anorexic patient to run a marathon. The result of the systematic dismantleing of a federalized human services network has been a desystematization that while opting for an upswing on "volunteerism" has instead forced conventional services to become crisis oriented and crisis oriented only. People have inherent dignity that says that seeking help should come well before crisis. With diminished staff resources within our human service agencies we are forced to make people wait until they present a bonafide crisis. What risks do we create by such actions. The proverbial safety net seems neither safe nor made of netting. It is made mostly of holes!

At the Child and Adolescent Clinic—Pontiac, we are concerned. We see the direct as well as the indirect consequences of parent unemployment. Like any complex problem, in a scientific sense, the causal relationships between the variables of the problem are closely interwoven like the snakes in the head of the hydra. Nevertheless, we see this problem as painfully serious and patently inexcusable. We have known for many years that unemployment and its related problems are both subject to solution and that such solution is congruent with the overall values of our society. Our Constitution states in its opening words that this nation was conceived and formed to promote "the general welfare." As long as we continue to see problems such as those that I have touched upon today, we must assume the validity of the adage—"all people are created equal—it's only that some people are created more equal than others." How unfortunate a commentary on our society.

Mental health and well being are based on many things—a safe, secure, and emotionally warm home; nurturance and nutrition; positive experience and faith in the possible; love from and love to others; love of one's self; trust in family and social institutions; positive, rewarding engraining of societal norms within one's psyche and soul; and trust. Unemployment, particularly chronic unemployment of parents, decays everyone of these variables. The problem is not new. Today's hearing is just a present reminder of that fact. The problem is perhaps only more insidious. Our perhaps for many in our society their vision of this painful reality has only become more dim. Can we safely and with conscience predict the outcomes from the perpetuation of such problems? Hardly!

And, as a post-script, I should add the most despairing inference of all. All that I have shared with you today has been based on the real experiences that our staff have had with real people who have come to our door for help. Our deeper worry is for those who don't come, who don't reach our for help, who have given up. How many parents with how many children have simply but painfully turned away from us and from themselves?

OAKLAND COUNTY CHILD AND ADOLESCENT CLINIC, PONTIAC, MI—BASELINE DATA REGARDING SERVICES REQUESTS/SERVICES PROVIDED/AND SELECTED REFERRALS

1. NUMBER OF REQUESTS FOR SERVICE TO CAC-PONTIAC

	Number	Percent of base
1979	698	100
1980	728	104
1981	733	105
1982	744	107
1983	781	112

2. REFERRALS TO CAC-PONTIAC FROM OAKLAND COUNTY JUVENILE COURT AND PROTECTIVE SERVICES

	Juvenile court		Protective services	
	Number	Percent of base	Number	Percent of base
1979	10	100	17	100
1980	9	90	23	135
1981	13	130	40	235
1982	10	100	24	141
1983	20	200	64	376

3. REFERRALS BY CAC-PONTIAC TO PROTECTIVE SERVICES

	Number	Percent of base
1980	4	100
1981	19	375
1982	15	275
1983	26	550

4. NUMBER OF CLIENTS SERVED BY CAC-PONTIAC

	Number	Percent of base
1979	439	100
1980	509	116
1981	623	142
1982	641	146
1983	677	154

STATEMENT OF ANN SHELDON, PH.D., COORDINATOR, METROPOLITAN SOCIAL SURVEYS PROJECT, DEPARTMENT OF SOCIOLOGY, WAYNE STATE UNIVERSITY

Dr. SHELDON. My name is Ann Sheldon, and I am on the faculty of Wayne State University in the department of sociology. My report to you today is about information from a study done in mid-1982. I am sorry that we do not have the additional information from early 1984. This is not a topic that funding agencies are eager to support.

You had mentioned earlier that you welcome comments from people stimulated by other panelist; and I want to start by commenting on something that you said, Dr. Rosenfeld.

In our research, we asked people about what they did about a wide variety of problems that they were experiencing, and fewer than 20 percent of the families who had some problems other than illness sought help. In other words, people would try to get help when they were really sick, but for a large variety of other problems, problems with children, with getting food and clothing, problems with having an emergency, fewer than 20 percent of the families that we interviewed ever sought help from anybody.

I am not talking about seeking help from churches, human service agencies, or mental health clinics. I am talking about trying to get help even from friends. So the situation that exists in the tri-county Michigan area is of isolated households experiencing a lot of difficulties. As to why they don't go anywhere for help, I don't know. I will defer to helping professionals on that.

Going on to the points that are in this prepared testimony.

One of the things our research at Wayne State University has contributed is to focus on economic distress in general, rather than merely on unemployment. I think it is well understood from research about the Depression, and plant closings, and it comes as no surprise to any intelligent person, is that there are bad things that happen when there is lengthy unemployment.

However, economic distress also can be caused by shifts to lower paid jobs—to use sociological jargon, "Downward mobility,"—to reduced hours, reduced pay, or increased demands on income, due to the economic losses of relatives and children. Unemployment is only one of the causes.

Based on our research, we think that it is economic distress, regardless of whether it is from unemployment or downward mobility, or increased demands on income, that has a negative impact on both physical health and emotional well being. It is not just unemployment.

Therefore, in these data that I have prepared for the committee, which come from a sample of 600 households in Macomb, Oakland, and Wayne counties, we have compared families in four categories: households in which there is maximum unemployment, those with some unemployment of the primary adults, those which have had full employment, but reported high economic distress; and then an important comparison group of other relatively unaffected households.

Unemployment figures are very misleading. Our study of 600 households, given the method of selection of households that was used, represents the metropolitan area very well to plus or minus 4 percent. You can think of this data as reflective of the whole metropolitan area to a very high extent.

We found in our interviews, that 35 percent of those non-elderly households had maximum unemployment at the time that we interviewed them, 20 percent had full employment, but reported high economic distress, 30 percent fit in this important comparison group of others. And, 15 percent were partially unemployed. Economic distress and unemployment are significantly higher than official figures show.

The comparisons among types of families make a very compelling case that both the maximally unemployed and the high-stress employed people are more likely to report trouble with physical health problems. These two groups of people are very similar in the health situations that they report.

The maximum unemployed households and the other unaffected households are very different. Many of you have in front of you a set of tables we prepared. As the first table shows, the proportion of households reporting three or more physical health symptoms for adults is approximately twice as high, for both of the highest stress groups, as compared to the partially unemployed or the relatively unaffected other groups.

The same situation exists when you look at problems reported with the children in the high-stress family. Other research that has asked people to give self-ratings of health, generally shows that self-ratings are highly correlated with the judgments that medical professionals make. Using this approach, the health ratings for children as well as for adults are more likely to be in the low category for the high-stress groups.

The pattern of responses relating to mental health follows a similar pattern with physical health. Because it is rare for parents to tell you their children are having severe emotional problems, we take the ratings of depression for children in our interviews very seriously, the details of this depression our interviewers learned about are especially significant.

I was asked to prepare some material for you comparing households with varying types of health insurance. I had not looked at these before I was asked to prepare them for the panel. Three categories of households exist—those in which the people had any insurance at all, and those with public insurance or private insurance.

We found that very, very few people in our sample were without any insurance. Many of the untroubled households did not have any insurance, which is interesting. We did not find, in this research, a dramatic difference when we looked at the effect of no insurance on health, as some other research has shown.

However, when the number of symptoms that are reported are considered, we see that those without insurance tend to report much higher numbers of symptoms. They tend to report that their children are sick; they say their own health, is poor. But I don't think the evidence makes as strong a case for showing the effects of a lack of insurance on health as do the general conditions of maximum unemployment and high economic distress.

My two colleagues today have discussed with you the tragic situation of one-parent families, low-education families, nonwhite families. I think the evidence about that is very compelling.

But the evidence from our studies presents a slightly different picture in that we can focus on the people that are falling into the employed, but with high economic distress categor. They are the people who generally have had no experience with unemployment in their lives. They do not show up in official statistics.

They tend to be white two-parent families. Seventy-four percent of those in this category are two-parent families and only 24 percent of them are nonwhite. Fifty-four percent of them had some

college. Many of them fall into professional occupational categories; few of them are receiving any kind of public supported health assistance. These are the people that are presenting the kind of vulnerability that our human services system is not set up to deal with.

These are people who have no experience with the formal helping system. They are very proud. They are not in the kind of environment in which they easily go any place for help. Needing help is a stigmatized state, and they simply are not asking or seeking help.

Our helping system, I believe, is set up to deal with the customary poor, the people that we are used to dealing with, and the new poor. These are frequently single-parent families, nonwhite, low education; there is another group of people in our community that falls into middle class, normally employed, high skill, intact families, and these families are in trouble also.

I will welcome any questions that you have.

[Prepared statement of Dr. Ann Sheldon follows:]

PREPARED STATEMENT OF ANN WORKMAN SHELDON, PH.D., DEPARTMENT OF SOCIOLOGY/CENTER FOR URBAN STUDIES, WAYNE STATE UNIVERSITY, DETROIT, MI

My purpose in appearing before you today is to provide some information about the effects of widespread unemployment, severe economic decline and the associated economic distress on people in the Detroit Tri-County Area. The economic situation is this community is well known, and I will not review it now. What is not well understood is the effect severe and sustained economic loss has had on families from all socio-economic levels—on the assembly line worker, those in lower white collar occupations, and on the middle-class professional or managerial family with little prior experience with the kind of economic insecurity and stress that accompanies an economic depression.

Economic distress—whether due to lengthy unemployment, shifts to lower paid jobs, reduced hours or increased demands on income due to economic loss of children or relatives—has immediate effects on emotional well being, the ability of people to adjust to new circumstances and, over a somewhat longer period, has negative impact on physical health. In order to understand the health related problems in this community, it is important to consider more than unemployment, as important as that is. We must consider the broader picture and examine the effects of economic insecurity and economic loss as well.

In mid 1982, a small group of faculty and graduate students at Wayne State University conducted lengthy interviews of a probability sample of 600 households in Macomb, Oakland and Wayne counties. Our goal was to gather as much information as we could about life for a wide variety of people in this metropolitan area before the full effects of major re-directions of human services were felt here and then to re-interview many of these households to assess the effects of very long term economic distress and family coping strategies over time and to monitor the effects of limited community resources on family ability to cope effectively. At this point the information we have available is cross-sectional. We cannot tell you how the health of families has been affected over time—but as comparisons are made between families with different experiences with economic loss, some important inferences can be drawn.

A set of tables is provided for your use. Only two topics are considered because of limited time: the relationship between economic stress and adult and child health; and comparisons of health status associated with lack of medical insurance and different types of insurance.

This information concerns economic stress, not just unemployment, and is organized to make comparisons across four broad categories of households: the fully unemployed (i.e. those in which there is unemployment of two adults if it is a two-adult household or one adult in a one-parent family or single person household); the partially unemployed (i.e. those in which one of the heads of the household is unemployed, the other employed; this sometimes is unemployment of the main breadwinner); those who were experiencing high economic distress but who have full employment; and a comparison group of families who have been relatively unaffected by

the depression. Because all families have problems, because most people are sick from time to time, this latter group is especially important. It provides a 'standard' that can be used to weigh the additional problems economic stress brings.

The comparisons make a compelling case. Both the maximally unemployed and the high stress-employed people are more likely to report trouble with some physical health problem and the two groups are generally similar. As Table 1 shows, the proportion of households reporting three or more physical health symptoms for adults is approxiately twice as high for both stress groups than for the partially unemployed or the relatively unaffected other group. The same situation exists for the children in the high stress families the number reporting two or more health problems is double that for the lower stress families.

Others have found self-ratings of health highly correlated with the judgments of medical doctors and when this approach is used, ratings for children as well as for adults are more likely to be low for the high stress groups.

We asked about a series of symptoms frequently used to measure emotional distress, but which seem to many people to be physical health problems (e.g. sweaty hands, shortness of breath, sudden pounding of the heart, etc.). Clearly, maximum unemployment is an important factor in mental stress symptom levels for both adults and children, whether the focus is on physical manifestations of stress or general self/assessments related to feelings of depression (e.g. feels like he/she might have a nervous breakdown, worries about ability to keep going, etc.). The reports of depression in children in families with high stress but with full employment are especially telling with one-third of such families reporting depression in one or more of the children.

The same topics are used to compare households with no medical insurance, with medicaid or medicare and with some type of private insurance (e.g. Blue Cross-Blue Shield). (See Table 2.) Eight per cent of the households we interviewed reported they had no medical insurance, 13 per cent had some form of public support for health care. Most people, regardless of level of unemployment or stress, reported some private medical insurance.

Those with no insurance are more likely than other families to report many physical health symptoms for adults and children. There are no real differences in self-ratings for adults, but the differences for children are great. The picture is different when mental health state is examined, as shown in Table 2. This is probably due to differences in education, which generally is associated with differences in perceptions of emotional state. (Shown in Table 3.)

In summary, the findings from this study of a representative sample of people in this metropolitan area strongly support findings from earlier research relating stress to physical health. Unemployment is an important cause of stress; loss of income as well as status and dignity are important causes of stress, as well. But, economic loss and economic insecurity, so widespread in this community, have as important a part in worsening health as does unemployment. These findings strongly suggest public policy needs to consider the underemployed and the downwardly mobile as well as the unemployed when considered new or revised initiatives to better meet health needs.

TABLE 1.—THE EFFECT OF ECONOMIC DISTRESS ON THE HEALTH OF DETROIT AREA FAMILIES

[Percentages]

	Maximum unemployment	Partial unemployment	Employed but with high economic distress	Other
Physical health:				
Physical health symptoms reported by primary adults:				
None	31	47	32	46
One to two	25	32	31	31
Three or more	44	22	37	23
Physical health symptoms reported for children:				
None	54	61	41	63
One	30	30	39	29
Two or more	16	9	20	8
Ratings of overall health of primary adults: percent saying poor or fair	44	26	35	17
Ratings of overall health of children: percent saying poor or fair	14	3	10	2
Illness as household problem	31	28	24	10

TABLE 1.—THE EFFECT OF ECONOMIC DISTRESS ON THE HEALTH OF DETROIT AREA FAMILIES—Continued

[Percentages]

	Maximum unemployment	Partial unemployment	Employed but with high economic distress	Other
Mental health:				
Mental stress symptoms reported by primary adults:				
None	46	64	62	74
One to two	26	23	27	20
Three or more	28	13	11	6
Mental stress symptoms reported for children:				
None	68	84	76	90
One or more	32	16	24	10
Ratings of depression for primary adults	44	35	48	26
Ratings of depression for children	20	28	33	16
Emotional difficulties as household problem	20	16	16	10

TABLE 2.—THE RELATIONSHIP BETWEEN HEALTH AND MEDICAL INSURANCE

[Percentages]

	No insurance	Medicaid or medicare	Private insurance
Physical health:			
Physical health symptoms reported by primary adults:			
None	20	34	46
One to two	38	28	27
Three or more	42	38	27
Physical health symptoms reported for children:			
None	42	45	60
One	20	29	30
Two or more	38	26	10
Ratings of overall health of primary adults: percent saying poor or fair	30	33	27
Ratings of overall health of children: Percent saying poor or fair	12	9	4
Illness as household problem	18	26	22
Mental health:			
Mental stress symptoms reported by primary adults:			
None	56	62	62
One to two	36	14	23
Three or more	8	24	15
Mental stress symptoms reported for children:			
None	93	74	90
One or more	7	16	10
Ratings of depression for primary adults	34	47	35
Ratings of depression for children	29	34	17
Emotional difficulties as household problem	12	12	15

TABLE 3.—CHARACTERISTICS OF SAMPLED DETROIT AREA FAMILIES

[percentages] [1]

	Maximum unemployment	Partial unemployment	Employed but with high economic distress	Other	No insurance	Public insurance	Private insurance
Two-parent family	43	84	74	89	87	75	74
Non-white	58	36	24	18	26	39	24

TABLE 3.—CHARACTERISTICS OF SAMPLED DETROIT AREA FAMILIES—Continued

[Percentages][1]

	Maximum unemployment	Partial unemployment	Employed but with high economic distress	Other	No insurance	Public insurance	Private insurance
More than high school education	27	36	54	66	46	35	49
Children:							
None	67	54	48	52	61	56	58
One	8	28	27	16	10	9	16
Two or more	25	18	35	32	20	20	15
Sources of income in household:							
Public assistance	74	9	12	5	26	58	3
Unemployment benefits	11	26	12	0	24	6	16
Food stamps	52	13	9	6	36	61	4
Medical insurance:							
No insurance	7	5	8	10			
Public insurance	15	13	11	12			
Private insurance	75	82	81	78			

[1] Information is from a stratified probability sample of 600 households in Detroit, Out-county Wayne, Oakland, and Macomb.

Mr. LEVIN. Well, I am very interested, indeed. Thank you so much.

The hour is relatively late, and we have asked ourselves and a number of other people to participate in a relatively long morning, as it has become a morning-noon hearing.

But I think we do want to take advantage of the stimulation that comes through this testimony and ask a few questions, at least.

Chairman MILLER. Who would like to start off?

I am not sure that I understand your statement about the change in the caseload. You talk about the recovery and having decreased the overall unemployment rate from 15.5 percent to 12.3, which you seem to attribute to the fact that more people are going back to work in Michigan. Then you say, "However, when unemployment is compared to the total number of public assistance recipients, the need in 1984 does not reflect the decrease in unemployment recipients."

I guess what I want to know is why is that so? I am not sure that I understood your explanation.

My first thought was this was due to the fact that in some cases we have a household where a divorce or separation is taking place, and the State is inheriting part of that family on the caseload, while the father or the mother may have gone back to work. Is that part of this?

Ms. TATE. That is part of it. When looking at the female head of household, we try to see what was some of the primary motivations for people moving off welfare, and the primary motivation is its marital counseling with their husband; so that is some of that.

But the other thing that happens, typically, with our department is that there is a lag period in regards to unemployment and recovery. Part of that is due to benefits and so on.

For instance, when the unemployment rates first went up, our caseload did not immediately go up, and so there is a delay that occurs—I would say from 6 to 12 months delay.

In regards to our experience and a decreased—increased caseload, as well as the decrease, to that is what we are saying, that when the economy improves, that does not mean that automatically we see that decrease within the department. There is usually a delay in the reactions to what happened in the economy.

Chairman MILLER. And you also seem to suggest that you would concur with what we learned last week from the Census Bureau that the number of families in poverty, in fact, has grown.

You mentioned the shrinking middle class, if you will, and the increase in the number of families that would now be classified as poor.

Do you accept that? You continue to believe that that trend will continue in Michigan?

Ms. TATE. Well, as long as our current policies stay the same as they are. Much of that is impacted by the Federal policies that determines eligibility for many of the programs that we provide. And I think what adds to that is the research that Ann has done, speaking to another class of population who are employed, but at a lower level than what they used to be. So what we see happening is the middle class is being pushed into the lower income level.

I see that continuing unless there is a change in the Federal policy that impacts on State policy.

Chairman MILLER. Thank you.

Mr. LEVIN. Now, the testimony, I think, of two or you—well, really, the three, if I might chime in, is that this is a group for whom this is a relatively new experience, or a new one, and it is really a group in a discrete way. But it is a group of people for whom there is not much experience in the use of various services, and it is a group for whom—partly because it is not accustomed to using services—there is hesitation to utilize the services for the reasons of lack of familiarity, pride, and duress. And then some of you point to the diminished service available.

I think your testimony is striking in terms of our not seeing much beyond the tip of the iceberg in some cases, these families; there is absolutely an overstatement in your testimony. You really focused on that at the very end, and I am not sure that we got the full impact.

Dr. SHELDON. I was asked to really focus on health, but it seemed to me that it was relatively unimportant, compared to some other things. I could provide this material to the committee. The people that are not yet in the public helping system are the people that we are ignoring and that we don't understand well. As families begin to sell everything they own, they have to get down quite low before they become one of the cases in the category. They have to come to the attention of someone before they move into his records.

People who have fallen into the public helping system, tend to get help. It is in this period before they get there, that they are isolated. Some of them clearly would be pulled in an aggressive church outreach program, such as you have heard about this morning, or aggressive outreach program, like that the Downriver community, but those are hitting almost no one.

We asked people, "Where did you go for help?" We didn't get anybody at all telling us about going to any public agencies, only the Department of Welfare. They are not going to Child Family

Services, to mental health clinics. They are not talking to their families. They are all alone.

If we know that happens with this kind of testimony about what happens to the children, then the children that are out there whose parents are not getting any help at all, are the children that we need to worry about for the future.

We have wondered why it was that more parents did not—could not—tell us more about what was happening to their children. And in a small reinterview of about 50 households, we find very few parents are able to identify the early warning signs for their children.

They told us about nightmares, bed wetting, fear of going to school. Those are identified as children being naughty, not children needing help. So it is not until the situation has gotten very acute that parents are doing anything about their children.

So you are quite right; that it is the tip of the iceberg, but when you think of the tip of the iceberg, we usually think that perhaps we are seeing 25 percent of the iceberg. I think we are seeing about 3 percent of the iceberg.

Dr. ROSENFELD. If I might add, Congressman Levin, you are talking about different populations. I think we can simply say that we are concerned with two populations. The first population is the people who call themselves the held down, and the second population are the people who would now call themselves the going down, and that for the people that are already there, I think their response to the second group would be the same: "Now, you know what it feels like."

So for the last group, the latter group, we are dealing with people with some acute concerns because they have developed some multigeneration coping skills: dealing with despair, dealing with an acute new presence of dispair. I think we all have to ask ourselves, if we multiply this effect over time, then we end up with the group that will be a larger held down group.

Mr. CONYERS. Well, I would like to compliment this panel for bringing a couple of things into a little sharper focus, but I am not sure what it has really done. First of all, we are finding two kinds of groups that need help; and I had a little discussion during the intermission that focused on this.

When we talk about the new unemployed, then that really implies that we are talking about a more white, more middle class, more surburban consideration, since double-digit unemployment has been in the black community, the inner city for so long. So then when you look at the social welfare public assistance budget, then you raise the question of who is to get what in this shortening. And I remember that many of the members of the State Legislative Black Caucus were unhappy with the Michigan budget, as I think applies to the social services portion, because there were some varied major reductions that went on there.

I think that this needs to be examined. This is a very tough political subject that this committee and you experts have to sharpen up and reveal for us, because I think it is very important. I would like you to comment on that because I think it is very important, a very important part of our hearing here today in Detroit.

Ms. TATE. Well, speaking from the State, I think you pretty much safely summarized what we are trying to say. The reason that I keep going back to Federal policy is because where the new administration, which is current, changed many of the rules in regards to assistance, public assistance programs that——

Mr. CONYERS. Is that Federal administration or State administration?

Ms. TATE. I am sorry—Federal administration.

It had a direct impact on how we had to operate at State level in regards to implementing and carrying out many of the changes that were recommended to the Federal administration. So that is why I keep bringing you back to Federal Government, because these changes were implemented in 1980, and those have had some very devastating impact in regard to those clients that we are able to service.

There has been a drastic reduction in regards to who we are able to service. And on top of that, when we add the fact that we had those additional Federal grants and that Michigan was experiencing the economic depression—I call it depression—that we have been going through, that just added a double whammy to the clientele that we were trying to service. So there is a real need to look at those policies that have been put into play that carry an impact back to the State in regards to trying to implement policy and provide services to the assistance of this State.

I would like to add one other thing. The concern that we have at this point goes a little bit beyond what we are currently talking about. We try and look into the future, and I have a real concern about what is going to happen in 1985 and 1986. I am really concerned that Michigan is not going to be able to come out of the economic recession that we are into.

I don't think that we are going to get out of double-digit unemployment before, nationally, we go into another recession, because you are going to have to deal with a budget deficit at the Federal level. And that means that they are going to have to—that there are going to have to be some decisions made in regard to dealing with that deficit.

Based on how those decisions are made, if the Nation goes into another recession, then Michigan will be hit again, disproportionately, compared to the rest of the country. So there is real, a real sense of urgency in regards to looking at this program and policies.

Mr. CONYERS. I am sorry that you raised the deficit in this otherwise complex discussion that we have been having all day. That opens up another set of hearings; but I think your point is well made, Ms. Tate.

There is one final little point in our area of conversation, and I got the impression from Dr. Sheldon that this inadequate coping ability that middle-class people experience because they have never had to be on welfare, you know, the inferences that they are people who cope pretty well, that are on the bottom of the barrel; and somehow I get the impression that there are a great number of them that don't do too well either in the system.

I mean, everybody is suffering, but the impression can sometimes be gained that it must not be so hard for these other guys because they must be getting used to it by now.

I am not quite sure if I want to leave that kind of impression on the record—if I heard it right at all.

Dr. SHELDON. Well, you could be quite sure that I don't want to leave that kind of impression on the record either.

When people become involved in the public welfare system, although they do not have adequate help, there is the referral point. It might not work very well, that there is a referral point.

In addition, people who move into welfare have given up an awful lot of something inside them and have moved into a stigmatized state that I believe makes it easier for them to use help. When they are referred to it. It is not that they are used to it or that they do it better; it is just that they have had to go somewhere, and once they have had to go someplace, it becomes easier to go someplace else, from a sense of pride. And I don't mean to imply that they get very good help when they go other places.

Mr. CONYERS. Well, the reason that I raised it is that in my office a great number of constituent problems that we experience in Detroit is just helping somebody get to a system. We keep asking ourselves, "Couldn't they have gotten there otherwise?" and the answer is clearly, no, or they would not be here.

I mean, we are intervening as a third-party agent, as it were, almost like a public defender, coming in to help where there is no—otherwise, there is no role for us to play, except that these people are not getting it.

Now, they are poor, they are normally black, they are people that, as you described in here this morning, they should not be bothering us. And they are more than we can actually handle that we are servicing, so that that is why I just had to intervene and ask you to analyze these coping skills, because there are a lot of people that are among the chronically unemployed that have no coping skills, that have not accepted the stigmatization, and that are not easily showing up at these places.

These people, I submit, are having commensurate difficulty, notwithstanding the fact that they have been in their situation for a longer time.

Mr. COATS. I have to confess, as one of the few Republicans left in the room, I am tempted to give a staunch defense, but I think lunch is more compelling at this point than political rhetoric, so I will forego that temptation.

I do have a couple of questions for you, Dr. Rosenfeld. You indicated in your testimony something that is very disturbing to me and I wish you would elaborate on that.

You are saying that as parents, who are unemployed and fall in the category of chronic unemployed, are displaced by advances of roboticized industry, that their children may be industrially obsolete before even attempting to join the ranks of the work force.

Dr. ROSENFELD. Yes.

Mr. COATS. Now, are you saying that if someone's father holds a skill that has been displaced by a new roboticized society or by a new trend of the auto industry, or whatever, that his child is doomed to be chronically unemployed simply because he is the child of someone? This does not leave much hope to train that child or to give that child hope in some other skill.

I guess maybe I am not following you.

Dr. ROSENFELD. Well, the reasoning actually is coupled with the belief that we have about people having faith in the overall system, because we believe that we are seeing people who are leaving the economic mainstream because of a lack of appropriate fields for what is now happening in what I call——

Mr. COATS. I understand that; but due to the effects here on the children, why wouldn't the father say: Look, son, I performed this particular task for 40 years, but it is very clear now that Ford Motor Co. is going to be doing this a different way. Now, what you really need is this and this, and this. Here are some areas that you ought to go into.

Why would it necessarily follow that the children of the displaced parents are doomed to be chronically unemployed?

Dr. ROSENFELD. Well, I would suggest that to your question, that an answer to that question is in the lyrics of the song of "Allentown," where we really are seeing in the song and what we are seeing in our clinic parents who could not give the answer, that you are saying—because when you are posing—what you are posing is that a displaced father or mother would be able to tell their youngster, "This is what happened to me. Now, you go to something different because I will predict for you that within the next 10 or 15 years, you will be in a safe and secure spot."

That is myth. The fact is that we know that in our educational system that there is a substantial number of dropout youngsters. No. 2, we know that the youngsters that stay in are not receiving, in many areas, the qualified education that we know will be necessary for them for the future.

You can go to one community and find that kids are learning sophisticated computer skills, and you can go to another community and find that kids are not even learning how to spell well.

I think that the relationship is not directly causal between the father, and the mother, and the child; but that it is complex because parents who, heretofore, have tried to struggle their way up through the system to get in, to get a job that they can hold onto and plan for their family; that take that despair and couple that with the problem of inadequate preparation of the youngsters.

You see, I would suggest that—and we have not had a testimony today from people from our educational system—that the educational system is not directly linked to our business-industrial complex; that we are maybe not training the people for what they are going to need 10 or 15 years from now, both in terms of job skills and the ability to cope with this constant transition.

I can remember that when I was in the military, that the experience of being transferred from one unit and job to another, there was always a thing called transition point or something.

Now, for many of these families, we don't have transition points except unemployment and poverty.

Now, how can we prepare children for being able to cope with these problems when we look at the youngsters—and I am not picking on the Pontiac school system, but when we look at the youngsters that are coming out of there, I, quite frankly, don't believe that they can look with much hope in 10 or 15 years from now, that they are going to be able to move into Pontiac Motors or General Truck and Coach.

Maybe some of them, but a lot of the kids—there are a lot of kids that won't be able to cut it. Aside from my involvement with community mental health, I also do some college instruction, and I was reflecting earlier today that some of the students that I now deal with are people who were youngsters a few decades ago in similar circumstances. It is appalling to me that when an instructor is trying to deal with complex course material, that basic educational skills have not been picked up by so many people.

I don't think that there would be much debate that the skill level that is necessary for people to have the expectations for skills moving in one direction; and that for many people in our society, their skills and coping capacities are moving in the other.

Mr. COATS. If I could just ask one more question. I know we are running late.

Now, unemployment is a problem that has plagued Presidents and Congresses on both sides of the aisle, but you state here that we have known for many years that unemployment and its related problems are subject to solutions.

Do you have a good solution for us? I think that all of us on the panel would love to take it back to Washington.

Dr. ROSENFELD. Well, I would suggest one thing that the committee, perhaps, ask a staff person or member of the committee to look at a very profound article in the journal called "Backwards Mapping." That raises some problems about how we can connect the problems that people experience from day to day life, to the problems on the street, so to say, with what bureaucracy from the Federal down to the local level do.

We are talking today from a very different vantage point. Ms. Tate presented information that basically comes from, statistically from Lansing. The information that I am presenting, really, is information that comes from the minds and thoughts of my staff.

I think that solutions to such things as unemployment, et cetera, really relate to trying to figure out what works; but first, basing that on what we want. I think that looking at—trying to find a complex—a simple statement to the complex question that you raised, forces one into, perhaps, more protestant consideration, because I have heard some people say that we have moved in the past 50 years from the New Deal to the Fair Deal to the bad deal.

You know, I cannot help but think that some of our macropolitical issues are major stumbling blocks for our local solutions. We have heard testimony earlier about the public-private sector partnership, and we have heard testimony about how little programs, perhaps, will work better than the bigger programs.

I would suggest that a major point that we have to look at is how we can deal effectively with the absolute complexity of these problems because they are all so interrelated. And I think that at all levels, from the street level, bureaucratic level, up to the highest policymaking level, that we have to really come to terms with that.

Part of that, I think, has to do with the language that we use. Congressman Miller, earlier, in reference to a statement made by the two youngsters here, said something like, "I guess that the problem brings out underlying problems."

That, in some respects, said that we view the problems that people have, which are consequences of problems that they now ex-

perience; and that there is this dormancy there that lifts up all of this latent stuff.

We would suggest that you just take a look at the desperation that people have, and not imply from that that the current stressors bring out dormant problems, but, in fact, they are really responsible for recreating them.

Chairman MILLER. Well, I want to thank you very much for your testimony and for your insight, and for some of your recommendations and warnings; for your help to the committee.

Thank you very much.

The committee will stand adjourned.

I would like, at this time, to thank Eileen and Veda from Congressman Levin's staff who have been very, very helpful, and to Ann Burgess and David Ball from the Childrens Village here for helping to put together this hearing, and for all the cooperation that we have been shown. Thank you very much. And to all of the members who showed up once again—the attendance by the members has been wonderful.

[Whereupon, at 1:30 p.m., the hearing was adjourned.]

[Material submitted for inclusion in the record follows:]

PREPARED STATEMENT OF THERESE GNEZDA, BUSH POST-DOCTORAL FELLOW, UNIVERSITY OF MICHIGAN

THE EFFECTS OF UNEMPLOYMENT ON FAMILY FUNCTIONING

Overview

The impact of unemployment on family functioning has not been extensively studied. Most of the research addressing this topic has been conducted with specific groups of unemployed married men who are the primary economic providers in their families. The family variables used in studies of unemployment are often global (i.e. family problems, family cohesion, marital conflict) and unclearly defined. Therefore, it is inadvisable to suggest that the findings from this research are applicable to all families experiencing unemployment.

The available research suggests that unemployment alters family roles, routines, and relations as stress and anxiety are incorporated into the family environment. For some families, the impact of unemployment contributes to impaired family functioning, but for other families it does not. Families experiencing negative consequences of unemployment are likely to become less cohesive, disorganized, and susceptible to increased conflict in marital and parent-child relationships. In extreme cases, children in these families may be at higher risk of being abused. Children of unemployed parents may also show signs of stress in their behaviors at home, in school, and in relationships with their peers.

The research literature suggests that the length of unemployment relates to family functioning and that at different points in time, the family's experiences with unemployment fluctuate. The immediate effects of unemployment may not be particularly disruptive to family relationships or family life, but as unemployment continues, the family becomes increasingly vulnerable to conflict and disorganization. The research literature suggest that family stress increases during the first six to seven months of unemployment, stabilizes for a few months, and then may increase dramatically if unemployment persists beyond one year. During periods of unsuccessful job search and at the time unemployment benefits are exhausted, have been identified as times of particular family strain. According to the available evidence, blue collar families seem to experience stress sooner than white collar families. Although both blue collar and white collar wives are likely to experience anxiety and depression following their husband's unemployment, blue collar wives tend to experience stress sooner and to a greater extent than white collar wives.

Unemployment touches the entire family. Although little evidence is available to clearly define the effects of unemployment on children and families, the research indicates that for some families, unemployment can be potentially deleterious to family relationships, individual family members, and family functioning.

Introduction

The experience of unemployment has significant implications for unemployed individuals and their families as they adapt to diminished financial resources and changes in family dynamics. Unemployment, particularly for families in which the primary breadwinner had previously been steadily employed, confronts the family with an uncertain and unstable economic future. This economic ambiguity is related to the length of unemployment and may interfere with the family's ability to satisfy basic needs (food, shelter, medical care), may force families to curtail or indefinitely delay major life choices (i.e. sending children to college, having another baby), and may strain interpersonal relationships. In addition, the stress, anxiety, frustration, hostility and depression felt by the unemployed worker may affect the family's overall emotional environment further straining family relations. Together, all of these factors related to unemployment lead to changes in family roles, routines, and relationships and impact on the family's ability to cope with unemployment.

The purpose of this paper is to summarize the major findings from contemporary social science research (post-Great Depression literature) which relate to the effects of unemployment on family functioning, family members, and family relationships. The literature reviewed in this paper is a compilation of studies focusing on the effects of involuntary unemployment of formerly steadily employed individuals. The unemployed workers in these studies are most often married men who are the primary breadwinners in their families. In general, the research examines the effects of unemployment on small, selected groups of individuals (i.e. unemployed professionals, workers laid-off as a result of a plant closing) who may not be representative of the majority of unemployed workers in the country. Most of the studies compare a group of unemployed workers and their families to a group of continuously employed workers and their families. Through these comparisons, changes that occur in the family after unemployment can be identified and linked to the family's experience resulting from the husband's job loss. In addition, the family variables that are used in these studies are neither clearly defined nor studies in-depth. Therefore, the information presented in this paper should be considered as a summary of available evidence on the effects of unemployment on families and is not meant to be a definitive description of the impact of unemployment on all families. The findings presented suggest a range of experiences reported by families experiencing unemployment and are useful as a means of beginning to understand how unemployment impacts on family life.

The available social science research findings related to the effects of unemployment on family functioning suggest that families experience unemployment in a variety of ways. For some families, unemployment of the primary breadwinner is related to increased family conflict, impaired marital relationships, and disturbed parent-child relationships. For other families, the stress of unemployment enhances family cohesion, increases the quality of interpersonal relationships, and has an overall positive effect on family interactions and family functioning. Regardless of the positive or negative implications of unemployment, for most families, unemployment results in a restructuring of family roles, new family routines, and increased time together. Much of the research literature suggest that blue collar and white collar families experience unemployment differently, and that the duration of unemployment is related to the family's adjustment and vulnerability to disruption and conflict.

Perhaps the most extensive research available on the effects of unemployment on the family was conducted in the Boston area (Liem, reference note 1; Liem & Liem, 1978; Atkinson, Liem, & Liem, reference note 2). Half of the families in this research had experienced unemployment of the primary breadwinner as a result of extensive layoffs and cutbacks, and half of the families had husbands who were continuously employed. All of the families consisted of a married couple living together with at least one child at home. Half of the families were white collar and half were blue collar families. Each family was interviewed within the first two months after unemployment, at four months, seven months, and twelve months. (The continuously employed families were interviewed at corresponding intervals.) The research explored family conditions prior to unemployment and examined how unemployment contributed to family problems, family coping abilities, and threatened family stability and well-being. The findings from this research suggest that the families who experienced unemployment were significantly more stressed than families who did not, and that these effects were found to be stronger for blue collar families than for white collar families.

The initial analyses of the Boston data suggest that the first few months of unemployment have a negative impact on the family environment adding stress and conflict in family relationships. Changes in mood and behaviors of individual family

members become sources of potential family strain and can lead to a decrease in family cohesion and organization and an increase in marital arguments. In addition, as families adapt to unemployment, family roles and routines change. The family spends more time together, and although many wives welcome the additional time spent with their husbands, they are also likely to feel as though the husband is "in the way," should be contributing more to household tasks, and may eventually feel that his presence in the home during the day is disruptive to family routines. Wives may also assume a greater responsibility for family finances, and their roles in the family may change. Parent-child relationships may also change as a result of unemployment. Although both parents and children may enjoy the increased time together, the unemployed parent who is unprepared and unaccustomed to spending long hours with children may find the increased time together to be stressful. Some of the unemployed workers in this research reported that the extended hours spent with their children made them nervous and disputes would often arise between the husband and his wife over how to handle the children.

The findings from the research in the Boston area suggest that unemployment is related to disruption in family life, particularly for blue collar families. During the first few months of unemployment, the family is likely to experience increased tension and upset in the emotional atmosphere of the home. Family roles and responsibilities are changed, and routines are altered. Increased strain in marital and parent-child relationships are likely, and although the family is able to spend more time together, it is likely that the additional time will be marred with increased arguments, conflicts, and disputes. The findings from this research suggest that unemployment during the first few months has a negative impact on the family.

A research study conducted in Youngstown, Ohio (Buss & Redburn, 1982) following the closing of the Campbell Works Plant lends some support to the conclusion that unemployment has a negative impact on the family, and that the effects are different for blue collar and white collar families. Unlike the Boston study, the Youngstown study explored the long range effects of unemployment one to two years after the plant closing. Although this research focused on mental health outcomes of unemployment, some of the findings related to family functioning. The people in this study included a group of unemployed steelworkers and managers, and a comparison group of continuously employed workers. The families were interviewed around one and two years following plant closing. At one year, the unemployed blue collar workers experienced more family problems than the continuously employed workers. By the second year, the family problems of the unemployed blue collar workers had abated, and the unemployed blue collar workers reported comparable levels of family problems to those of the continually employed. A different pattern of family stress was found for white collar unemployed workers. For these families, an increase in family problems was found to occur at the second year interview. Unfortunately, a clear definition of "family problems" is not discussed in Buss and Redburn's research.

The two research studies reviewed so far, suggest that unemployment is related to family problems and stress. There is some concern in the literature that extreme family stress is associated with family conflict and may be manifested in violence toward family members. Again, a controversy exists in the literature regarding the direct link between unemployment and violence toward children, but the evidence seems to suggest that children of unemployed parents are at a higher risk of being abused than those of employed parents. In his analysis of national data of reported cases of child abuse in the late 1960's, Gil (1971) found that nearly half of the fathers of these cases were unemployed at some point during the year in which the abusive act occurred. He further found that approximately 12% of abusing fathers were actually unemployed at the time of the abuse. Using Gil's data, Margolis (reference note 3) developed a probability rating for child abuse related to unemployment. His calculations suggest that children of unemployed fathers are three times as likely to be abused as children of employed fathers. Using U.S. Census data, Light (1971) also explored the relationship between unemployment and child abuse. His findings revealed that in large families where the father is unemployed, abuse is more likely to occur, and in these families, abuse in most likely to be directed toward the youngest child.

Steinberg, Catalano, and Dooley (1981) investigated child abuse and neglect cases in two communities in Calfornia to determine the relationship between community economic change and reported cases of child abuse over a thirty month period. Although their research findings did not show a direct association between unemployment and child abuse, their findings did show a relationship between the size of the work force and child abuse. From this research, Steinberg, Catalano and Dooley con-

cluded that declines in the overall work force are related to reported cases of child abuse, but the abuse cases do not necessarily occur in families of the unemployed.

Although inconclusive, the evidence does suggest a relationship between unemployment and reported cases of child abuse. The literature is much less clear about the relationship between child neglect and unemployment, but it could be inferred that within the context of a strained family environment, parents could be less available and less nurturant to their children, and increased neglect might occur.

As suggested earlier, a controversy exists in the literature regarding whether or not the effects of unemployment are always negative for families. Although the first studies reviewed in this paper suggest negative impacts, evidence from other research does not support this conclusion. Preliminary findings of Farran and Margolis' (reference note 4) longitudinal study of families in a Northeastern community experiencing the unemployment of the father as a result of a plant closing, suggest that although the families were affected immediately by economic stress, few family effects were found during the first two to six weeks after job loss. Farran and Margolis suggest that it is possible that family effects may not have been found with their unemployed families because it was too soon after unemployment for them to develop. They also suggest that the respondents in their study were from a close-knit, stable, blue collar community characterized by supportive friendships and extended family networks, and these factors may have mediated the negative effects of unemployment on the family.

In their research with 90 middle age professionals and managers who had been steadily employed prior to unemployment, Thomas McCabe, and Berry (1980) found that unemployment did not necessarily impact negatively on family relationships for white collar families. Of their unemployed workers, 48% reported that unemployment had not changed their relationships with their wives, 15% reported improved relationships with their wives, and 37% reported that unemployment had had a negative effect on their marital relationships. When asked about the impact of their job loss on relationships with children, 53% reported no change, 11% reported improved parent-child relationships, and 17% reported a negative effect. Thomas, McCabe, and Berry's results were similar to those from a longitudinal study conducted in the 1970's by Root and Maryland (as cited in Thomas, McCabe, & Berry, 1980) in which laid-off blue collar workers and their wives were interviewed following the closing of a packing plant. Forty percent of these families reported that the unemployment experience had acutally been good for the family, 27% reported a neutral effect, and 30% reported that job loss had a negative effect on the family. Ninety-four percent of the families reported that the husband had not lost his status in the family as a result of unemployment, and 94% reported that marital conflict had not increased. Together, the Thomas, McCabe, and Berry research and the Root and Maryland study suggest that unemployment may not have detrimental effects on the majority of blue or white collar families. However, concern for the minority of families experiencing difficulties as a function of unemployment is still crucial.

The findings from two other recent studies also suggest that the effects of unemployment on the family may not be universally negative. Briar (1978) interveiwed a group of 52 men and women unemployed during the 1970–72 recession. Twenty-four of the group were professionals and 28 were nonprofessionals. The average length of unemployment at the time of the interview as approximately 15 months for the professionals and four months for the nonprofessionals. Of the 22 married people in the study, only eight reported increased family tension following job loss. Some of the respondents described more conflict in their family relationships, but suggested that an increase in enjoyable times overshadowed the conflict. The respondents reported that family roles often changed as fathers assumed more responsibilities for household tasks and child care, but generally, the unemployed workers did not perceive their marriages as deteriorating, nor did they feel that their family life was disrupted as a result of unemployment. Some of the wives of the unemployed men reported that their husband's job loss encouraged his greater involvement at home and enhanced communication and sharing among family members.

Impact of unemployment on the spouse and children

To understand the impact of unemployment on the family, it is important to look beyond the change in general family functioning to effects on particular family members—specifically, the spouse and the children. There is little research that specifically investigates the effects of unemployment on the spouse, but of that available, the findings suggest that the spouse's response to unemployment is similar to that of the unemployed worker, but delayed. Liem and Rayman (1982) suggest that although wives do not personally experience the loss of the husband's job with an

accompanying sense of guilt and stress, they are exposed to the changes in the family environment precipitated by his unemployment. During the first months of unemployment, the husband's role performance and supportiveness in the family decreases, and the wife begins to develop increased emotional strain, depression, anxiety, fearfulness, and sensitivity in interpersonal relationships. Wives show the strongest reaction to their husband's unemployment around three to four months after his job loss (Liem, reference note 2).

Looking at differences between wives of unemployed blue collar and white collar workers in the Youngstown study, Buss and Redburn found that at twelve months after the husband lost his job, blue collar wives showed more signs of aggression than wives of unemployed white collar workers. At 24 months, the differences between these groups of wives increased. Although both blue and white collar wives were experiencing mild depression, blue collar wives reported more aggression, anxiety, helplessness, distrust, avoidance of other, more somatic problems, and greater alcohol consumption than white collar wives. However, Buss and Redburn concluded from their results that by 24 months, both groups of wives were coping adequately with their husbands' unemployment.

Only two studies were found in the contemporary literature that specifically dealt with the effects of parental unemployment on children. In Buss and Redburn's Youngstown study, the children of the laid-off and continuously employed workers were interviewed at approximately one year after the plant closing. The children of the unemployed workers were more likely than those of employed workers to avoid social interactions, and were more likely to be distrustful. All of the children of the unemployed workers reported reactions similar to those of their fathers. Children of unemployed blue collar workers reported more family problems and somatic symptoms than children of unemployed white collar workers, and felt more immobile, helpless, and victimized. Buss and Redburn suggest that the occupational status of the unemployed father (blue collar or white collar) relates to the child's reaction to the father's unemployment, but whether or not the father is employed does not seem to have that much effect on the child's behavior one year following the father's job loss.

Although Rayman and Bluestone (Leim & Rayman, 1982) did not specifically measure children's responses to their father's unemployment, they did question unemployed parents about their perceptions of their child's reaction. In the Hartford Project, Rayman and Bluestone investigated the responses of the community and the family to periods of economic busts and booms in a community highly dependent on the aircraft industry. The parents experiencing unemployment in this study reported that their children seemed more moody at home, had increased problems at school, and were experiencing strained relationships with their peers following the parent's job loss. The parents were also concerned that their children would sense the parents' anxieties over family finances, and wondered how the child's view of the world of work would be influenced by the parent's unemployment. Because so little research information is available, it is not possible to conclude whether or not unemployment has significant effects on children.

Impact of the length of unemployment on the family

As suggested in earlier sections of this paper, the effects of unemployment on family life seem to be a function of the length of time the primary breadwinner is out of work. Drawing on research evidence, the literature suggest patterns of family reactions related to the duration of unemployment. As mentioned earlier, Buss and Redburn's research suggests that family problems increase by the end of the first year of unemployment for blue collar workers and abate by the second year. For white collar workers, family problems increase by the second year. Similarly, Atkinson, Liem, and Liem found a relationship in the Boston area research between the length of unemployment and the quality of marriage in white collar families. The white collar workers who experienced short periods of unemployment suggested that the quality of their marriages improved, but for white collar workers who had long periods of unemployment, the quality of their marital relationships declined. Therefore, in this research, long-term unemployment was related to increased marital strain over time for white collar families.

Liem (reference note 1) suggests from the Boston area data, that families experiencing unemployment often achieve a sense of stability around six or seven months after job loss. For families who achieve this stability, family members become accustomed to new and shared family roles, and communication patterns become open. However, if at 12 months unemployment persists, family stress is likely to heighten significantly. Liem suggests that it is at this time that the family becomes most vul-

nerable to separation and divorce. This, too, may be the time when family violence initiated by the unemployed family member may become particularly intense.

Some researchers have begun to structure the effects of unemployment within the context of models that account for the duration of unemployment. From their research with 50 professionals who had been unemployed between two and 18 months, Powell & Driscoll (1973) developed a model of stages through which unemployed individuals are likely to progress. The stages incorporate changes in emotional and behavioral patterns. At each stage different vulnerabilities to family stress and conflict are evident. According to Powell and Driscoll, the first stage—Period of Relaxation and Relief—occurs for about the first 25 days after job loss. The unemployed individual expresses a sense of being in-between jobs and is optimistic about reemployment. This stage is characterized by increased family time as if the unemployed individual were on vacation. Family equilibrium is the norm, and family relationships remained unchanged. The second stage—Period of Concerted Effort—lasts about three months and is a time of conscientious systematic, optimistic job search. During this stage, the family becomes a source of maximum support and encouragement. Driscoll and Powell suggest that during this period, the wife's emotional involvement and optimism toward her husband's job search is directly related to his stamina and resiliency looking for a new job. If his job search is unsuccessful, the third stage begins—Period of Vacillation and Doubt. This stage lasts around 6 weeks and is characterized by an erosion of optimism, sporadic job seeking, self-doubt, and mood swings. During this stage, family relationships are most vulnerable to disruption and deterioration. Unemployed husbands may feel like a burden to the family and may become overly critical of family members. Wives may become moody, annoyed with their husbands, begin to doubt his abilities and begin to see him as a failure. Bickering and badgering may occur frequently between husband and wife at this time. At the onset of the fourth stage—Malaise and Cynicism—family relationships improve, roles within the family shift and become more equally shared. The unemployed worker looks for work less frequently, becomes apathetic and listless, and begins to feel that he's losing control of his vocational life. According to this model, family relationships are initially unchanged, become supportive and positive, become strained, and then stablize as unemployment becomes sustained.

From a slightly different perspective, Ferman (1981) developed a model of stages of unemployment. In Ferman's model, particular periods are identified in which family problems are most likely to occur. In Ferman's model, the job loss period is stressful, especially for couples with young children since these families have high levels of economic and family demands. After this initial stage, the unemployed individual is faced with the exhaustion of benefits period. At this point, family roles are realigned and normal functioning patterns are disrupted. Nonemployed family members may enter the labor force, and older children may defer their education and curtail activities. The family is now prone to heightened levels of crises. Ferman suggests that during this period, families are susceptible to great interpersonal stress, and separation and divorce may occur. Without describing the direct impact on the family, Ferman suggests that unemployed workers progress to a period of intensive job seeking which can be a time of great emotional distress and self-doubt. If the job search is unsuccessful, the unemployed individual may then drop out of the formal labor market. If the job search is successful, then the family must engage in a period of readjustment to a new life style. Since many unemployed workers who become reemployed find jobs with less pay, fewer benefits, and less professional status, the new job phase may impact on the family by precipitating reassessment of family goals, aspirations, and family plans.

Conclusion

Although there is not much research exploring the effects of unemployment on family functioning the literature that does exist suggests that unemployment results in changes in the family environment. For some families, unemployment has negative consequences, and for others it does not. Unemployment may contribute to stress and conflict in marital and parent-child relationships, and in extreme cases may relate to irreparably impaired relationships and child abuse. The severity of the negative effects of unemployment seems to be related to the length of unemployment, and blue collar families seem to experience greater stress sooner than white collar families. The effects of unemployment on family members, family relationships, and family functioning fluctuate with the duration of unemployment. Even though the research evidence is limited, it suggests that unemployment has the potential of contributing to disruption and conflicts in family relationships and family functioning.

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PREPARED STATEMENT OF MARY TREPANIER, ED.D., PRESIDENT, MECEC, ASSOCIATE PROFESSOR OF EDUCATION IN EARLY CHILDHOOD AT THE UNIVERSITY OF MICHIGAN-DEARBORN

I am Mary Trepanier, an Associate Professor of Education in Early Childhood at the University of Michigan-Dearborn. I am writing in behalf of the Michigan Early Childhood Education Consortium. As a group of professionals involved in the education and welfare of young children and their families, we are very concerned about the effect of unemployment on children.

In my review of the literature on the effect of unemployment on young children, I was very surprised at the lack of empirical evidence regarding this issue. A computer search of the last 10 years identified only three appropriate articles. Although much is written about unemployment, stress and families in general, little research has investigated the effect of unemployment specifically on children.

Some findings that I did uncover were the following:

(1) Nearly 17% of a nation-wide sample of families with children under 18 had an unemployed breadwinner.

(2) Young families—families with preschoolers—were more likely to have their major breadwinner unemployed as were black families at every life cycle.

(3) 25% of the families with unemployed breadwinners had inadequate income.

(4) 40% had economic hardship with either inadequate income or major income loss.

(5) Children and adolescents from families with paternal unemployment were twice as likely to be admitted to a pediatric emergency room for a suicide attempt. The researchers state that "parents preoccupied with economic concerns may be less able to attend to psychosocial stress in their offsprings (Garfinkel, Froese, & Hood, 1982, p. 1260)."

Further research on the effect of unemployment on children is definitely needed and must be encouraged by various public and private agencies.

Although the research findings may be limited, daily observation of children in schools and child care settings suggest a profound impact. Whenever families are under stress children are at risk. Family economic problems affect children's physical and mental health, their nutrition, and educational opportunities and aspirations. Young children are often the victims of parental frustration. Certainly we can all cite cases in which children's needs were not met or where children were abused psychologically or physically as a result of parental stress. Unemployment is certainly a major cause of parental stress.

It is imperative that our country attend to the needs of young children who suffer from the effect of parental unemployment. Legislation and public and private agencies which will promote the physical, social, emotional, and intellectual needs of these children must be supported and encouraged. Prenatal care, health and nutritional care, child care, family counseling are just a few of the services that must be supported. Hopefully the children and their families will find that support soon.

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PREPARED STATEMENT OF UNITED COMMUNITY SERVICES OF METROPOLITAN DETROIT

United Community Services of Metropolitan Detroit is a citizen-based community organization with a strong commitment to serve the troubled population of Detroit. It has carried out many planning activities that support children and families, and that help people facing problems associated with unemployment.

In addition to planning activities in recent years, UCS has managed several projects that:

(1) Carried out a Special Outreach to the Unemployed project. This project was a crisis intervention program which took place in eight Family Service Agencies which provide counseling to tri-county area people suffering serious personal problems because of job loss. More than 3,200 families sought help from participating agencies in this two-year program.

(2) Developed Project BRIDGE which was funded by the Webber Foundation and coordinated with Jewish Vocational Services. This project assisted older displaced workers to gain skills to re-enter the job market. 300 persons completed this three week program.

(3) By means of a contract from Wayne County, provided "work experience programs" for 250 youth which resulted in jobs for over 50% of them.

(4) Carried out a Michigan Youth Corps Program which provided placement and supervision services for 250 youth.

(5) Operated the W. K. Kellogg funded Project BOLD, which extended a helping hand to nearly 6,000 Detroit youth by means of a leadership development/activity program.

(6) By means of the United Foundation funded Campership Program and Special Summer Programs, provided thousands of Detroit youth with summer camp experiences as staff and as program participants.

United Community Services is pleased that the Select Committee on Children, Youth and Families scheduled this hearing in Detroit. We commend the Committee for its focus on the effect on families on long term unemployment. From our experience, we want to call the Committee's attention particularly to four areas.

I. IN SUPPORT OF FAMILIES

A full copy of this UCS study report is enclosed, and a copy of the UCS Board Policy is attached. The second chapter deals with "Economic Problems of the Family", and spells out concerns about the severe impact of unemployment on Detroit families.

II. CHILDREN OF THE UNEMPLOYED

The Children and Youth Division of UCS held a series of hearings in the Metropolitan Detroit area late last year to obtain information about the effect on children of unemployment. Some information from these hearings has been shared verbally with Committee Staff and with Congressman Sander Levin's Staff. A full report of the hearings will be available in May, and will be shared with the Committee at that time.

III. LONG TERM CONSEQUENCES FOR THE YOUTH OF THE UNEMPLOYED

There are no real "experts" about the impacts on children due to parental unemployment, but over the years, studies have been done on problems faced by "migrant families"; by "returned veterans" by "single or divorced young parents"; "the long term disabled"; as well as the problems faced by the children of each of these groups. They are duplicated in the unemployed population and are identified in the many reports which described the results of the projects which United Community Services has developed and managed.

The "american dream" is based on "hope". Unemployment means a disminishment of hope. It means the removal of satisfying productive activities, and financial support, forced moves, forced sharing of homes, strained and unrealistic relationships, the removal of satisfying leisure, mobility, and generally, unemployment is a debilitating situation.

Some of the best research available on this issue of the Youth of the Unemployed issue is, a longitudinal study of children of the great depression by Glen Alder (The Social Impacts of Mass Layoff, CRSO Paper 254, University of Michigan). The author states that even though post war prosperity enabled children of hardship to succeed in their work lives, their psychic well-being remained impared throughout their adult lives, as noted in increased levels of the decline of energy, heavy drinking, and use of psycho therapy.

Today, the outlook of the children of the currently unemployed, is in some ways even more bleak. Unemployment is not widely distributed as it was during the depression. It is a fate that has choosen a select minority of working class people whose skills are no longer in demand due to rapid technological change.

The so-called "economic recovery" will not create new employment opportunities for these displaced blue collar workers, and certainly not the high wage manufacturing jobs which they formerly held. Rather, the few new jobs being created are in the services sector, and are split between "good" jobs that require college educations and very "poor" jobs that offer low wages, reduced benefits and no upward mobility.

Families of displaced blue collar workers are faced with a kind of economic decline that is not shared by most of the rest of society. The implications of this problem for children of the unemployed are not completely documented, but it is known that children tend to internalize the outlook of their parents. If life now appears bleak, hopeless, and unfair to parents, this will certainly affect their children's view of the world. Children without hope do not strive to succeed, and are not interested in giving up present gratification for future gain. It seems only logical to predict that many will escape into substance abuse, rejection of learning, and other forms of anti-social behavior.

A meaningful response to this problem will have to provide economic opportunity for both parents and for youth. Youth need to be instilled with a perception that the application of their creative labor power can lead to positive outcomes. The best way to bring about this perception is to make it real—open up avenues for achievement and rewards for success.

IV. A CAMPING FOCUSED EXAMINATION OF THE IMPACT OF UNEMPLOYMENT ON YOUTH

Camping provides a positive personal growth environment which is removed from social pressure to conform, family stress, common socio-economic discrimination, and from rigid stratified school and neighborhood social structures. As such it is an ideal situation in which to help people with personal development and social issues for anyone; but especially for those who are disadvantaged, victims of broken homes, child abuse, negative potential influences, family or social adjustment problems.

Camping experiences are unique in that participants are removed for a time from the stress field home environment. The relief of stress creates a psychological opportunity to address problems objectively. Staff who are properly trained to deal with the specific psychological and social dimensions of unemployment, facilitate the development of positive attitudes and specific coping skills.

The Camping environment is both non-threatening and stimulating. Children, irrespective of social-economic backgrounds quickly accept one another, make friends and share problems, issues, and concerns within a context which is supportive. When perceived issues can be dealt with by effective counselors, psychological, attitudinal and behavioral change occurrs.

Through 1981, funds made available in the tri-county through TITLES II-A and XX, and from voluntary contributions provided summer camping opportunities for about 3,000 minority low income, or children and youth with special needs and problems.

In 1977, and then in 1981, the federal programs administered by Macomb and Wayne Counties and the State of Michigan withdrew funds for camping purposes. Since that time the demand for financial assistance for these populations has remained constant. No noticeable increase has been recorded among these special populations due to the rise in unemployment among those already in low income and special population's categories.

In 1982 and again in 1983 there has been a signficant decline in camp enrollment of children and youth from blue collar families in the Detroit area. These are families who in 1980 and 1981 caused an increase in camp enrollment. That increase was due to the fact that sending children to organized camps was a less expensive summer alternative to family vacations.

These data confirm a negative impact of unemployment on children by demonstrating significant changes in leisure time use options for blue collar families. Where family vacations once were an affordable means to maintain positive family relationships and to provide feelings of psychological well-being, personal and social status and sense of security, and hope for the future, the absence of these create a reaction. The reactions in most ways is much more damaging to personality development, feelings of self-esteem, and social development than would occur if these children had never had these normal and rightful life experiences.

Efforts to deal with this problem in the absence of federal and state funding options in Southeast Michigan have been to try to divert existing voluntary contributions away from other centers of need to provide some services for this new needy population.

Positive strategies

(1) Target funding priorities to specific programs to help the affected population. Directed use of federal chapter funds for camp scholarships for children of unemployed families would provide positive growth experiences.

(2) Fund the development of camping programs for families of unemployed workers. Such programs should deal with the change in family dynamics and the stress of individual family members caused by unemployment. Such camping programs would preserve family continuity in the absence of costly vacation options, and would provide all family members with some handles enabling them to deal with the social and psychological impacts.

(3) Provide Federal Grants to established Camping Services providers to develop out-of-doors programs for children of the unemployed workers and their families.

United Community Services hopes this testimony will add to the Committee's documentation of the harmful and long-lasting negative effects of sustained unemployment on youth and families. United Community Services looks forward to further contact with the Committee as it continues its significant work.

THE MICHIGAN ASSOCIATION OF CHILDREN'S ALLIANCE,
Lansing, MI, March 5, 1984.

MEMO

To: Members of the House Select Committee on Children, Youth and Families.
From: Edward J. Overstreet, MACA Legislative Committee.
Re: Michigan Hearing.

The Michigan Association of Children's Alliances welcomes you and the House Select Committee to Michigan for this special field hearing. We are delighted that you scheduled a meeting in our state, and that you are giving an opportunity to Michigan people to testify concerning family and child welfare problems.

During the past year, MACA has had a number of special task forces meeting on issues relating to children and families. We attach the results of these meetings and present this written testimony for the consideration of the Committee. We hope, es-

pecially, that you will take into consideration the various suggestions that we have made in each section.

Thank you for this opportunity to present written testimony.

Attachments.

MICHIGAN'S CHILDREN—1984, A MACA REPORT

I. CHILDREN IN FAMILIES

Fact sheet: Unemployment, poverty, and public assistance

As of March, 1983, 720,000 of Michigan's workers were unemployed. Only 55 per cent of those unemployed workers are still receiving benefits.

The most recent unemployment figures for Michigan and the United States are as follows:

[In percent]

	Michigan	United States
March 1983	17	10.1
March 1982	15.5	9.7
March 1981	12.3	7.6

During 1981, non-white workers had an unemployment rate nearly three times that for whites. The figures for teenagers were even more dramatically different:

1981 UNEMPLOYMENT RATE BY RACE

[In percent]

	White	Nonwhite
Overall rate	9.6	27.6
16 to 17 years	22.5	71.4
18 to 19 years	19.6	60.0

During the 27 months from February 1980 to April 1982, Pontiac, Michigan had unemployment rates in excess of 20%, peaking at 29.8% in February, 1982.

Female-headed families in Michigan are suffering the most, with 32% of them living below the poverty level in 1980. The number of single-parent families has doubled since 1970. Currently, 21% of all families with children under 18 are headed by single parents, while 50% of all such black households are headed by a single parent.

In 1980, 13% of Michigan's children lived below the 1975 poverty level for a family of four ($5,500). In 1980, the Federal Register reported a new poverty level for a family of four at $7,450. Statistics are not yet available to determine how many of Michigan's children currently live in poverty.

In 1980, 11.2% of Michigan residents were receiving some form of public assistance from the Michigan Department of Social Services.

In 1980, 2.3% of year-round housing units in Michigan did not have a complete bathroom.

In 1981, the AFDC program in Michigan was serving three times as many recipients (an increase of 200%) as it did in 1970, while the population of the state had increased by less than 5%.

Between the years 1978 and 1981, the General Assistance caseloads in Michigan increased by 183%, and Medicaid caseloads increased by 20.3%.

References: Michigan Employment Security Commission, Bureau of Research; Michigan Coalition for Children and Families; United States Bureau of the Census—1980; United Community Services of Metropolitan Detroit, 1982.

Fact sheet: Family violence

Approximately one million children are abused in the United States each year.

Nearly one of every four murder victims in the United States is a family member.

In homes where spouses abuse each other, the likelihood that the child will be abused is greater.

In 1980, there were over 28,000 confirmed victims of child abuse/neglect in Michigan, nearly 1% of the child population. Considering that most cases still go unreported, it is estimated that as many as one of ten children is being mistreated.

The National Committee for the Prevention of Child Abuse found that 45 states reported increases in child abuse related to increases in unemployment.

More children under the age of five die from injuries inflicted by abusive parents than die from tuberculosis, whooping cough, polio, measles, diabetes, rheumatic fever, and appendicitis combined.

According to a national survey (Gelles and Straus, 1979), three out of one hundred children were kicked, bitten, or punched during the previous year; one out of one thousand children had been threatened with a gun or knife during the past year; and three out of one hundred children had been threatened with a gun or knife at some point during their lives. These figures were reported by parents.

"Single incident" cases make up only 6% of all child abuse cases; therefore, 94% of cases involve multiple incidents of abuse and neglect.

The frequency of abuse in low birth-weight babies is reported at three times that of the general population.

References: Children's Defense Fund, 1983; Gelles and Straus, 1979; Straus, Gelles, and Steinmetz, 1979; Michigan Coalition for Children and Families, Alfaro, 1978; White House Conference on Families, 1980; United States Department of Health, Education and Welfare, 1979.

Fact sheet: Adolescent pregnancy and motherhood

13,506 abortions were performed on adolescents in Michigan in 1981.

18,697 infants were born to adolescent mothers in Michigan in 1981. These babies constitute 13% of the total number of infants born in Michigan that year.

25.8% of adolescent mothers had complications during labor and delivery in 1981. Of the adolescents who had complications, 29% are non-white.

Of the adolescents who did not receive any pre-natal care during 1981, 49% of them were non-white.

Adolescent girls represent the highest medical risk category of all groups of pregnant women.

Only about ¼ of Michigan's school-aged pregnant adolescents are in specially supported programs for completing their high school education.

The infant mortality rate for black infants in Michigan is approximately double the rate for white infants.

References: Michigan Department of Public Health; McKenry, Walters, and Johnson, 1979; Michigan Coalition for Children and Families.

MICHIGAN'S CHILDREN—1984

Introduction: The family as primary agent of socialization

Throughout history, the one social institution that has provided individuals with services such as socialization, education, child care, care for the elderly, economic production, growth in sexuality, and opportunities to internalize values and social skills necessary for interaction with larger society, is the family. Few will dispute that the family remains as the primary and most effectve agent of socialization (Setleis, 1978; Zimmerman, 1978). We view the family as one of our most valuable resources, and one which ought to be preserved and supported at all costs.

"We can no longer afford to take the family for granted; we need to choose it as that social institution that is central in our society and primary in our lives. This choice must be manifest in services, patterns of practice, and the establishment of a national social policy that preserves, strengthens, and enhances the preciousness of this vital and essential human resource." (Setleis, 1978)

We question the extent to which current and proposed policies are supportive of family life in the United States today. For example, when federal and state reimbursement is made available for a child's residential care outside the home, but not for family services that might prevent out-of-the-home placement, we question whether such a policy is supportive of the family, or even cost effective. In those states where foster care placements cannot be made with relatives because they cannot be legally reimbursed for their services, is this supportive of the children's bonds with their extended family, and is this in the best interests of the child? When AFDC mothers are asked to participate in menial workfare jobs and place their children in daycare settings with licensing standards based on the characteristics of the physical plant rather than on the ability to provide nurturance and socialization, is this also supportive of family life, particularly during the critical developmental ages of 3 to 5 years?

Federal policies can be supportive of the family by funding programs such as public child care services, health-care services adoption assistance subsidies, and tax incentives for businesses offering their employees child-care assistance, flexible work schedules, adequate health insurance, and a decent wage. Our purpose here is to prevent several major problems faced by Michigan families today and to offer a statement about the kinds of programs which do or do not support family life.

A survey of families in Michigan indicates that among their major problems are unemployment, poverty, and stressful family reiationships which often lead to some form of domestic violence (Family Function and Support Task Force, 1981). We also see adolescent pregnancy as a major problem. Each of these will be discussed, and recommendations presented.

Poverty

According to the 1980 census, 10.4% of all persons in Michigan lived below the poverty level, and 13.9% lived below 125% of the poverty level. What effect did this have on Michigan's children? The impoverished state of these Michigan families affected 361,353 children, i.e., 13.1% of Michigan's children lived below the poverty level.

Public assistance

The effects of unemployment and poverty are best evidenced through the public assistance statistics. During 1980, 1,041,849 residents, or 11.2% of Michigan's population (on a monthly basis) were receiving some form of public assistance from the Michigan Department of Social Services i.e., AFDC, General Assistance, Emergency Needs Program, or Food Stamps (United Community Services, 1982). From 1978 to 1981, the caseloads for general assistance, Medicaid and Food Stamps increased by 183%, 20.3%, and nearly 100%, respectively (United Community Services, 1982). To compound the problem, the increases in monthly benefits to recipients have not kept up with inflation. For example, the average monthly payment to an AFDC recipient increased from $351.40 in 1979, to $384.14 in 1981. To account for inflation, the recipient needed $445.02 in order to maintain their buying power.

Impact of unemployment and poverty on families

The unemployment problem in Michigan due to the decline in the auto industry and related supplier industries has had an alarming effect on the families of workers who have lost their jobs. Unemployment has affected the financial status of families in several ways. First, families are less able to provide such basic needs as food, clothing, and shelter when economic resources are so greatly reduced. Secondly, families cannot afford needed health services due to their loss of health insurance. Blue Cross and Blue Shield in Michigan reports a loss of 556,633 beneficiaries due to factory layoffs and closings, (Child Welfare Planning Notes, 1983), Thirdly, financial hardships have made it difficult, if not impossible, for families to finance their college students' education. Finally, the masses of unemployed workers do not contribute tax dollars, reducing local, state and federal tax revenues at a time when such revenues are urgently needed.

Unfortunately, the unemployment problem in Michigan not only impacts upon the financial status of families, but also on the social and emotional well being of families.

Several studies have shown a correlation between unemployment and an increased rate of mental health problems (Brenner, 1976; Dumont, 1977; Stathpoulos, 1980). In addition, in assessing the effects of unemployment we must consider the indivdual loss of self-esteem and pride, and the feelings of hopelessness on the part of the head of the household who is forced to accept and rely on public support. What about the children whose parents are chronically unemployed? Do they bear the brunt of their parents' frustrations? Who will be their role models for developing good work habits and job-finding strategies?

Family violence

A wealth of research studies support the hypothesis that unemployment correlates directly with the incidence of family violence, including spouse abuse and child abuse (Ayoub and Pfeifer, 1979a and b; Bottom, 1981; Cater and Easton, 1980; Dumont, 1977; Gelles and Straus, 1979, Mayer and Black, 1977; Taitz, 1980). Gelles and Straus (1979) report an inverse relationship between level of income and family violence. The National Committee for the Prevention of Child Abuse found that 45 states reported increases in child abuse related to increased abundance of evidence linking child abuse with unemployment; we have good reason to be very concerned about the safety of children in Michigan.

Adolescent pregnancy

In addition to unemployment, poverty and family violence, families in Michigan are faced with thousands of pregnant adolescents in need of services. According to the Michigan Department of Public Health, 18,697 infants were born to adolescent mothers in Michigan in 1981, constituating 13% of the total number of infants born.

The ever-increasing phenomenon of adolescent pregnancy and motherhood is problematic for several reasons. First, "adolescent girls represent the highest medical risk category of all groups of pregnant women," (McKenry, Walters and Johnson, 1979), with 25.8% of them having had complications during labor and delivery in 1981 in Michigan (Michigan Department of Public Health). Secondly, the prenatal care afforded to the adolescent is different for whites and non-whites, with nearly half of those not receiving pre-natal care being non-white. Thirdly, only ¼ of Michigan's schoolaged, pregnant adolscents are in specially supported programs for completing their high school education. A pregnancy during adolescence is very likely to affect a young woman's education and, according to Wright (1978), may be a significant factor in unemployment.

Having outlined these major problems facing families in Michigan, we present our recommendations for helping these families.

Recommendations to improve employment

Resolving massive unemployment in Michigan will reduce many of the hardships, both economic and emotional, that families face, and promote a safer and healthier environment for our children.

We are in support of proposals for public works jobs to help families support themselves while rebuilding roads and bridges, or staffing child care facilities. We also are supportive of tax incentives that would encourage existing institutions such as businesses and public schools to assess the employment needs of the future and provide training programs to prepare individuals to meet those needs. For example:

(1) Federal income tax incentives for employers providing services to their laid-off workers. The following services are suggested:

(a) Training new employees for new, high-tech jobs such as computer programmers, or

(b) Providing career counseling, or providing workshops in job finding strategies.

(2) Federal income tax incentives for hi-tech companies to provide equipment to high school students in computer science.

Only through the cooperative efforts of industry, labor, and government can we hope to provide the training and education needed to improve the employment rate for Michigan.

Finally, we advocate strongly for the implementation of employment practices which are more supportive of family life. To this end, there is an urgent need for such work arrangements as:

(1) Flextime;

(2) Job-sharing programs;

(3) Child care options, i.e., leave of absence for mother or father;

(4) Part-time jobs with pro-rated pay and benefits;

(5) Child care centers within the workplace; and

(6) Sensitivity by big business to the possible adverse effects on family life of relocating.

(7) Flexible benefit plans that allow employee to choose from a range of benefit options with a set maximum and with some options related to family functioning.

Recommendations to improve the status of AFDC and other proverty-stricken families

The administration has proposed numerous budget cuts that would eliminate a total of $722 million in AFDC funds for fiscal year 1984. We stand opposed to any further reductions in the AFDC budget. The most objectionable proposal is that of mandating workfare for all able-bodied recipients. The proposal represents a $275 million reduction in funds, but according to one source (Report on Preschool Education, 1983), administrative documents indicate the hope that mandatory workfare would save up to $365 million because some Food Stamp and AFDC recipients would refuse to participate in such programs. Our objections to such a program are fourfold:

(1) While some job assignments might encourage self-sufficiency or offer worthwhile job experience, there are no protections against punitive job assignments.

(2) Allowing states to require that parents of children ages three to six register for work programs if child care is available, without defining specifically what constitutes appropriate child care for AFDC children, is negligent and invites gross discrimination. Quality day care for low-income families is already problematic and cannot be ignored as a major obstacle to the "success" of a workfare program.

(3) Administrative costs to the states would be substantial.

(4) The private sector is capable of creating real jobs, and every possible encouragement should be used to support that effort.

A second major reduction that we oppose is the elimination of the Work Incentives (WIN) program, requiring a $271 million budget cut. According to a study conducted by the United States Department of Labor (1977):

"WIN training helps certain welfare recipients improve their earnings and length of time in jobs . . . Whatever policy choices are made, they should be made with awareness that the current inability to turn welfare into workfare resides primarily in the limitations of the job market system and only secondarily in the characteristics of welfare recipients."

We oppose the elimination of a program which provides much needed and helpful job counseling, training, and placement for AFDC recipients who are seeking permanent employment.

Recommendations to reduce family violence

With regard to the funding of programs for fiscal year 1984, we support continued funding of the Child Abuse Prevention and Treatment Act, and for the National Center on Child Abuse and Neglect. We support continued funding of programs for abused and neglected children under the Title XX Social Services Program (now the Social Services Block Grant). Although the administration's budget proposal for fiscal year 1984 indicates a $50 million increase ($2.45 billion to $2.5 billion) in the Social Services Block Grant, currently funded at $348 million, and the assumption that its services will be funded by the Social Services Block Grant (Children's Defense Fund 1983). We support an increased level of funding for the Social Services Block Grant which would account for the $348 million Community Services Block Grant which was previously funded separately.

In addition to those budget recommendations, we see a need for increased support services for families and youth involved in abusive home situations. We support the following recommendations:

(1) Bybee (1979) recommends a range of family support services to help reduce stress on parents. Programs such as drop-in day care, medical and mental health services, and employment programs may help to reduce the potential for violence in families.

(2) Garbarino (1980) recommends continual support of research on child abuse and neglect. Important issues to be considered include cultural norms regarding punishment, incidence of physical and emotional abuse and neglect, violence toward youth in residential and foster homes, efforts of prevention programs, and studies of adults who were abused as children and now do not abuse their children. What factors contribute to breaking the cycle of child abuse?

(3) Children's Defense Fund recommends federally funded shelters for battered children. Our sentiment is that the government ought to be laying plans for shelters for children, not silos for MX missiles! Garbarino (1980) recommends comprehensive youth-serving agencies and youth hotlines. A range of services could be provided to include abuse/neglect services, runaway shelters, counseling, gynecological services and help with re-entering the education system.

(4) Children's Defense Fund recommends supplemental funding to the public schools to develop training for young adults in child development, and effective, non-violent means of controlling children, and education to improve adolescents' and young children's awareness of child abuse. The schools could also sponsor Parents Anonymous groups. Since the schools are currently the major reporting source of child abuse, they could easily be utilized as a source of prevention.

Recommendations regarding adolescent pregnancy and motherhood

We recommend that serious efforts be made toward preventing adolescent pregnancies. Prevention services can take two forms: education and access to family planning services. We support the incorporation of family life curriculum into all school programs. The schools could be supportive of family efforts at educating youth in the areas of human sexuality, reproduction, contraception, peer pressure, values classification and child development.

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS
Bloomfield Hills, MI, March 13, 1984.

Re: Congressional Hearings—Children, Youth, and Families.

Congressman DANIEL MARRIOTT,
Washington, DC.

DEAR CONGRESSMAN MARRIOTT: Pursuant to the request of Dr. Donald Kline of your staff concerning activities of nongovernment groups that are assisting the needs of individuals in Southeast Michigan, I am giving a brief overview of the program sponsored by the Church of Jesus Christ of Latter-Day Saints.

Almost since the days of the founding of the Church of Jesus Christ of Latter-Day Saints in 1830, our leaders have taught that the spiritual and temporal needs of man are blended. One cannot effectively be carried on without the other. We do not feel that it is possible for men and women to be good and faithful Christian people unless they can also be good, faithful, honest, and industrious people.

When the welfare system of the Church was formally organized in 1836, the First Presidency wanted to assure that the formal organization did not take away the individual's incentive to help himself, and established the following guidelines for its implementation: "Our primary purpose was to set up, in so far as it might be possible, a system under which the curse of idleness would be done away with, the evils of the dole abolished, and independence, industry, thrift and self respect be once more established amongst our people. The aim of the Church is to help the people to help themselves. Work is to be re-enthroned as the ruling principle of the lives of our Church membership." (Conference Report, Oct. 1936, p. 3)

With this orientation, the current goals of our welfare services program are:

(1) To help individuals and families care for themselves.
(2) To obtain the resources necessary to help those in need.
(3) To provide Church assistance for those who qualify.

Each of these items is further explanined below:

1. Personal and family preparedness

In order to help others, individuals and families should first live providently and care for their own needs. Careful attention is to be given in the following areas: Literacy and Education; Career Development; Financial and Resource Management; Home Production and Storage; Physical Health; Social-Emotional and Spiritual Strength; Emergency Preparedness.

2. Rendering and accepting assistance

The responsibility for each member's spiritual, social, emotional, physical, or economic well-being rests first upon himself, second upon his family, and third upon the Church. Members of the Church are encouraged not to accept unearned government assistance. If an individual accepts unearned government assistance, he may not accept Church commodities or financial assistance at the same time.

3. The storehouse resource system

The Storehouse Resource System of the Church consists of a number of interrelated resources: an employment system, Bishops' Storehouses, production projects, LDS Social Services, Deseret Industries, fast offerings, welfare service missionaries, and various other welfare resources. The immediate objectives of the system are to:

(*a*) Provide cash resources, social services, and rehabilitative assistance to help those in need;
(*b*) Produce, process, store, and distribute needed commodities;
(c) Help find regular jobs for those who are able to work;
(*d*) Provide temporary work within the Storehouse Resource System, when possible, for those who cannot be employed otherwise;
(*e*) Serve as a resource to Church leaders in meeting local needs.

With the above orientation, I will attempt to provide a brief synopsis of the assistance rendered through the Storehouse Resource System in Southeastern Michigan, recognizing that considerable unrecorded assistance has also been provided externally to this portion of the program.

The LDS Employment Services in the Detroit Center is staffed by one and one-half persons. During 1983, 320 persons were formally placed by the Center, and through the efforts of local members another 80 to 90 persons were placed. Additionally, 269 persons were interviewed by the staff to assist them in their employment efforts upon recommendation from their local bishop.

The LDS Social Services group has two licensed persons on staff and during 1983 provided considerable service to our membership as follows:

Unwed mothers served	15
Infants placed for adoption	7
Foster children served	10
Adoptive applicants served	18
Licensed foster homes	18
Clinical assessments (one or two visits to the office):	
Individuals	159
Couples	95
Families	78
Clincial ongoing therapy (more than two visits to the office):	
Individuals	37
Couples	43
Families	7

The Detroit Bishops' Storehouse enables the bishops to assist needy families with food when other previously defined avenues have been exhausted. During the past six months, the following services have been rendered:

Food orders filled	1,603
Families served	351
Number of persons served	3,717
Average cost per order filled	$72
Donated hours of labor at storehouse	2,264

Additionally, in 1983 more than $150,000 in fast offering funds were used to assist in payment of rent, utilities, medical expenses, etc.

In a further effort to care for its membership, the Church of Jesus Christ of Latter-Day Saints has committed to build a small cannery in the Detroit area which will enable the processing of fruits, vegetables, meats, etc., grown and harvested by the local Church membership. It is anticipated that this facility will be completed by mid-1984 and will begin operation with volunteer labor.

It is hoped that this brief synopsis will provide some insight into the efforts of the Church of Jesus Christ of Latter-Day Saints to assist those in Southeastern Michigan. As you are probably aware, the needs have been extensive for the past several years.

If you have questions or if we can be of further assistance, please do not hesitate to call.

Very truly yours,

Bishop LARRY F. BOWMAN,
Bloomfield Hills Region Welfare Agent.

STATEMENT OF FATHER LAWRENCE M. VENTLINE, PASTOR OF ST. CHRISTINE CATHOLIC CHURCH, BRIGHTMOOR COMMUNITY, DETROIT, MI

My name is Father Lawrence Ventline. I am the pastor at St. Christine Catholic Church which is situated in northwest Detroit in the Brightmoor community, located between Telegraph and Lasher on Fenkell Avenue.

The late Monsignor Clement Kern once remarked: "We have to run with the door wide open."

My remarks are made with bewilderment as I wonder and ask: Is the door of this nation wide open anymore? Has the door slammed in the face of budget cuts that lay most heavily on the poor, near-poor, and modest income families?

Because of St. Christine's commitment to the poor and needy of Brightmoor and its surroundings, we have etched deeply within our hearts the task to speak up while we run with the door wide open to God's people.

In 1930, the Catholic Bishops of the United States said something that needs to be said again: "Our country needs, now and permanently, such a change of heart as will intelligently and with determination, so organize and distribute our work and wealth that no one need lack for any long time the security of being able to earn an adequate living for himself and for those dependent upon him."

Because the role of the priest is largely a supportive and encouraging one, I tell you this: This nation is now reaping the effects of unemployment and the lack of purposelessness and disdain that it causes in dividing families in my parish and community. The family abuse stemming from the anger brewing in countless homes in Brightmoor's 20,000-resident community has to stop. The violence and abuse is hardening this nation's heart. The violence is becoming a way of life. Violence is becoming as acceptable as blowing one's nose. It is looked at as routinely as reading about it in the newspaper and turning the page in one's helplessness to find leaders

willing enough to come and see what violence and perhaps unemployment is doing in a City where some 47 rapes have occurred.

There are those who question poverty in America: To those who deny it I ask you to sit with a jobless breadwinner in St. Christine's soup kitchen each Tuesday and Wednesday from 3-6 P.M. I ask you to witness the fellowship there and see adults and children who number about 300 meals each day.

Come and see 41 percent of Brightmoor's households that have one or more member who is 17 years of age or younger.

Come and see countless numbers of children—and, in some case, adults—whose only entertainment and recreation are video machines because of little recreational facilities in Brightmoor. Come and see these same persons made in the image and likeness of God as they walk the streets in search of work, of food, more social workers in our community schools, shelter for battered persons, better transportation services, more day-care facilities in an ever-increasing single-parent household.

Locking the door will only bring this nation down with the violence that comes with shutting out society's needs.

Countless energies are spent assisting families to alternatives to violent living. Programs enabling families to live together in the face of the "door's slamming in their faces" are increasingly becoming our focus at St. Christine's. Individual counselling and supportive services have increased over the past two years. Our St. Vincent DePaul Conference—a group who assists the needy—began in September of 1982 has spent over $8,000 in utilities, rent, clothing, food and furniture.

Come and see.

Then, close not the door on God's needy—our brothers and sisters!

Prepared Statement of Richard H. Price, University of Michigan

I want to consider three questions about the impact of unemployment on children, youth and families. (1) What families are disproportionately affected by unemployment and what is the financial toll? (2) What effects does unemployment have on family aspirations, roles, distress and discouragement? (3) What policy alternatives exist for families, youth and children facing unemployment? The answers to these questions are important to a substantial portion of the United States in the eighties and beyond and are of particular concern to those of us in Michigan who have experienced the severe impact of the recent recession.

WHO IS AFFECTED BY UNEMPLOYMENT AND HOW

The results of the most recent recession are still being examined. However, the results of the 1975 recessionary period have been carefully examined and provide us with a variety of important answers. Data from a nationwide sample of American families studied by the Michigan Panel Study of Income Dynamics indicate that one family in six, or approximately 17% of families with children, had a breadwinner who was unemployed at some time in 1975 (Moen, 1982). Furthermore, those families who were unemployed, approximately 40% experienced either an income loss of at least 30% or had fallen to poverty level income.

Three groups of families were particularly hard hit by the loss of financial resources associated with unemployment in the 1975 recession. They were (1) single parent families headed by women, (2) black families, and (3) families early in the life cycle who had preschool children. Both black families and families headed by single parent mothers tended to be unemployed longer than white families or families in which the father was the major provider. Young families, those with preschool children, are particularly vulnerable. As Moen (1983) observes, "young families are less likely than established ones to have resources necessary to cope effectively with economic adversity. For example, parents of young children are often themselves young and lack resources such as seniority, experience and job skills that would enable them to regain employment quickly. Since parents of preschoolers are also ones most likely to lose their jobs, the largest toll of an economic downturn is paid by families in the early years of childbearing and childrearing" (p. 752).

Furthermore, the distribution of income supports including Aid to Families with Dependent Children (AFDC) and unemployment insurance does not perfectly match these groups of particularly vulnerable families. Thus, while AFDC payments are important sources of support for female headed families and while unemployment insurance does indeed soften the financial blow for those who receive it, unemployed families where the male is present tended to receive proportionately less of the supports.

Some differences between the current most recent recession and that of 1975 have increased the hardships for the unemployed as well. Even though the unemployment duration is longer and the rate is higher in the recent recession, the duration and breadth of distribution of unemployment benefits is clearly lower. Thus, while the need has increased, supply of benefits has diminished under the current administration. In Michigan, families of displaced auto workers may exhaust their unemployment benefits but still not be eligible for Medicaid and other needed forms of public assistance leaving them virtually without options.

While these statistics focus on vulnerable families, it is important to recognize that official statistics understate the job loss problems because they fail to include discouraged workers who are no longer seeking work and who are therefore not included in unemployment statistics. Also omitted are those who are involuntarily working part-time or have retired involuntarily. Furthermore, unemployment has a rippling effect on the families and communities of the unemployed so that we should be speaking of unemployed families and communities of unemployment rather than unemployed individuals (Buss & Redburn, 1983).

When communities and families experience unemployment over long periods of time and have little hope of immediate re-employment, discouragement occurs both increasing family distress and reducing the hope and motivation for re-employment (Bowman, Jackson, Hatchett and Gurin, 1982). These effects have been well documented in the Institute for Social Research Survey of Black Americans and the ripple effects of unemployment have been well demonstrated by Buss and Redburn (1983) in their community study of the closing of a steel plant in Youngstown, Ohio.

The Buss and Redburn study is notable partly because it examines the impact on the families of both steel workers and managers who had been steadily employed for long periods of time in the Youngstown community. This group of families represents a relatively new phenomenon in American working life. These are families with a previously stable relationship to the labor market who now face downward social and economic mobility (Thurow, 1984).

In summary then, who is affected by unemployment and how does it affect their family resources? Single parent families are at higher risk for unemployment and for longer periods of unemployment. Black families, even with two parents in residence, experience higher risks. Families with preschool children having fewer resources to fall back on are both more vulnerable to job loss and are more powerfully affected by its financial consequences. Finally, a new class of unemployed families is emerging. These are families with a previously strong attachment to work and career who will not be returned to their previous jobs or income status. They will either be forced into early retirement, part-time work, or much lower paying jobs despite family commitments and responsibilities undertaken in earlier more optimistic times.

WHAT IS THE IMPACT OF UNEMPLOYMENT ON FAMILY ASPIRATIONS, STRESS AND DISCOURAGEMENT

So far, I have briefly described the types of families which seem to be at greatest risk for unemployment and its financial impact. But what do we know about the psychological and developmental impact of the experience of unemployment on families and children? Evidence comes from a variety of sources including the study of unemployment during the 30's and more recently during the 70's and early 80's.

The accumulated evidence can be divided into two major classes of findings. The first has to do with family adaptation to unemployment and its effects on goals, aspirations and socialization of children. The second set of findings considers the impact of job loss on family distress and discouragement. Here again, the process of family coping and its impact on the child in particular is of considerable interest.

Family adaptations

The impact of various family adaptations to reduced resources can have subtle but far-reaching consequences. Moen (1983) observes that job and economic loss produces the necessity for a family restructuring of roles and resources and a reappraisal of the family's current situation and prospects for the future. In particular, family goals are likely to be reduced. Home improvements will be postponed, and preventive health care will be delayed. Future uncertainly will mean that home ownership may be foregone, and the families' aspirations for higher education may be reduced or eliminated. Children will be less likely to become financially independent and will continue to rely on their family of origin for longer periods of time. In some cases, plans for retirement may be postponed. Thus, faced with these prospects for the future, the family lowers its aspirations in ways which will have multiple consequences for the family for generations in the future.

Children in families with reduced prospects will soon perceive themselves as having less control over their own lives. We know that problem solving skills (or a lack of them) are taught in the family and passed generation to generation. These families are learning that they have less control over their lives and that their levels of aspiration are perhaps unrealistically high. While not as dramatic as some of the short term consequences of unemployment, such as alcoholism or child abuse, these changes in goals and aspirations in the family may be at least as significant in their long-range impact for these families and their children.

Family distress and discouragement

A number of studies documenting the mental health impacts of unemployment on individuals and their families have been conducted. The evidence available suggests that economic instability and unemployment increases the risk of a variety of negative health and mental health outcomes including increase in alcohol and substance abuse (Brenner, 1975), distress and depression (Catalano, & Dooley, 1981), increase in health problems (Catalano & Dooley, 1983), and suicide (Pierce, 1967). These general findings, however, do not enlighten us about which families are most at risk for these outcomes.

Gnezda (1984) has summarized the available evidence on the effects of unemployment on family functioning. While the amount of evidence available is not great and the results of various studies far from unanimous, two studies—one in Youngstown, Ohio conducted by Buss and Redburn (1983) and another in Hartford, Connecticut conducted by Liem, Rayman and their colleagues (1982)—provide us with some compelling information on marital relationships among unemployed families and the impact on children.

Liem and Rayman (1982) found that wives of unemployed husbands are not immediately affected by the husband's unemployment, but as the family environment changes over time, shifts in the marital relationship have an impact on wives. As Gnezda observes, "during the first months of unemployment, the husband's role performance and supportiveness in the family decreases, and the wife begins to develop increased emotional strain, depression, anxiety, fearfulness and sensitivity in interpersonal relationships. Wives show the strongest reaction to their husbands' unemployment around three to four months after his job loss."

The Youngstown study conducted by Buss and Redburn followed both blue collar and white collar workers for two years after the Youngstown plant closing, and Redburn found that 12 months after job loss, blue collar wives showed "more signs of aggression than unemployed white collar workers. At 24 months, the differences between these groups of wives increased. Although blue and white collar wives reported more depression, anxiety, helplessness, distress, avoidance of others, more somatic problems and greater alcohol consumption than white collar wives."

The Youngstown study also tells us something about the effect of parental unemployment on children. Children of unemployed workers were more likely than those of the employed workers to avoid social interactions with their peers and were more likely to be distrustful. Children of blue collar workers seemed the most dramatically affected and reported feelings of immobilization, helplessness, and being victimized. The Hartford study did not ask the children themselves directly about their experiences, but parents in the Hartford study saw their children as being more moody at home, having increased problems in school, and experiencing strained relationships with their peers after parental job loss.

Agreement is converging around another major risk variable, length of unemployment, in the study of impact on families (Buss & Redburn, 1983; Ferman, 1981; Gnezda, 1984; Powell & Driscoll, 1973; Rayman & Liem, 1982). While the details of these research studies vary somewhat, a common pattern seems clear. After initial periods of optimism about re-employment, a period of concerted effort and energetic job search occurs. During this period the family becomes a source of maximum support and encouragement. If, however, after several months the job search is still unsuccessful, another stage of vacillation and doubt occurs, optimism is eroded, job seeking becomes more sporadic, self-doubt and self-blame become more promiment and generalized demoralization is more likely. Families in these later stages of unemployment will experience a variety of negative health and mental health outcomes in many cases. Bowman (1983) reports that black families with their restricted opportunities for re-employment are particularly at risk for discouragement and demoralization.

POLICY ALTERNATIVES

Governmental policy options for coping with the impact of unemployment on children, youth and families have in the past existed in two broad classes of initia-

tives—(1) macroeconomic fiscal and monetary policies, and (2) the provision of social services and supports.

Fiscal and monetary policies to stimulate the economy have been described as "a tide that raises all ships" and in the recent past has been the preferred governmental strategy for dealing with economic dislocation. But there are at least two major problems associated with this strategy that deserves our attention. First, we know that in the case of unemployed families, even a rising economic tide does not raise all families equally, and many including families of discouraged workers are not likely to benefit from the results of these fiscal and monetary policies to the same degree as other groups. In addition, the time lag between governmental macroeconomic initiatives and a response in the economy can be substantial. Meanwhile, the financial and emotional toll on families of unemployed workers can be very severe. Many families may move through the cycle of family crisis to unsuccessful job search and finally to discouragement and dependency while macroeconomic changes are, in some cases, only slowly developing.

The second major policy alternative for coping with the impact of unemployment in families involves governmental and private provision of social supports and services including unemployment insurance, job creation, job restructuring, job training, and job finding. Moen (1983), in her review of the impact of the 1975 recession, describes three conditions that buffer the impact of unemployment for families and children. They are: (1) the provision of unemployment insurance, (2) a shortened period of unemployment, and (3) the availability of secondary wage earners in the family.

But in considering how to implement service policies aimed at promoting these conditions that may protect the workers, families stand in different temporal relationships to the event of unemployment. Some families, having already experienced long periods of unemployment and exhausted whatever benefits were available, may have fallen into the discouraged worker group. Other families, newly displaced, are coping with the crisis of unemployment. Still other families are not yet unemployed, but are vulnerable to both financial and emotional impacts of unemployment if it occurs because of a lack of additional resources and/or a shrinking local economy. It is obvious on reflection, but sometimes forgotten, that family needs and receptivity to service will vary depending on their circumstances and length of unemployment. Furthermore, it is well to remember that more families will be entering each of these various stages of unemployment in the event of future economic downturns. Consequently a differentiated services and support policy aimed at preventing families from moving from vulnerability to crisis to discouragement is needed. Let us consider some of the options for families in each of these groups.

Families of discouraged workers having experienced unemployment or under-employment for long periods of time need a broad array of services including AFDC benefits, unemployment insurance for immediate survival as well as retraining programs to increase their economic viability in the market place. Moreover, children and adolescents in families of discouraged workers may soon attempt to enter the world of work carrying with them experiences of hopelessness and self-blame. Programs in schools designed to interpret the experience of unemployment and to counteract hopelessness are important to consider.

For families recently experiencing the crisis of unemployment, several options are possible. The first priority is programs directed at shortening the period of unemployment and helping unemployed workers to consider the options of relocation, retraining and job search. A good example is the Employment Transition Program developed at the University of Michigan.

Families experiencing the crisis of unemployment may also be in need of mental health and social services, but as Buss and Redburn (1983) note, most workers perceive traditional mental health services as irrelevant to their problems or are unaware of the more appropriate services that may have been made available. Furthermore, they observe that many workers who have used these services have felt discouraged from further help-seeking. Mental health and social services have not traditionally been oriented to displaced workers as a potential client group and are not organized to identify and serve them. Instead, these services are oriented to their more traditional clientele. Nevertheless, community-based coordinated efforts among human service organizations are not only possible but have been implemented with some success in the past (Taber, Walsh & Cooke, 1979). Furthermore, if sensitized to the problems of displaced workers, human service agencies can serve as referral sources to job search programs which may aid families in coping with unemployment and decrease the duration of unemployment.

Companies shutting down a plant can also play an important role in helping displaced workers to cope. Price and D'Aunno (1983) have described in detail how

human service managers within companies can serve as "transition managers" linking union officials, workers, community agencies and community officials in a network of re-employment assistance. Developing such a network is frequently in the company's interest as well as in the interest of the workers and the community. Poorly managed transitions by companies carry with them the threat of strikes, vandalism, lawsuits and regulatory legislation enacted in reaction to the human costs of poor management. It is in the company's interest to manage work force reductions in such a way as to minimize human casualties.

The final set of policy options open to us are genuinely preventive in nature. They should be directed at vulnerable families not yet unemployed but at risk to move from a state of vulnerable employment to the crisis of unemployment and ultimately to discouragement. Here is perhaps our greatest opportunity to provide conditions where families can build their own protective resources to buffer the impact of unemployment. You will recall that the presence of secondary wage earners in families are important protective resources. We need policies and programs that help to create the circumstances where secondary wage earners can enter and remain in the labor market. Since many secondary wage earners and families are women, this suggests that day care policies, non-discriminatory hiring practices, and non-discriminatory wage practice are all policies which have the potential to allow a family to develop its own protective mechanisms to cope with economic dislocation.

In addition, companies, governmental agencies and unions can engage in policies which allow the reallocation of work (Kahn, 1983). Job sharing (Meier, 1979) is a prime example of this type of policy initiative. This policy allows companies to respond to economic downturns by reducing the number of hours worked rather than laying off workers. Instead, reduced workers hours and pay are supplemented by unemployment insurance. Professor Lewis Margolis (1982) has investigated a wide range of policy options available to buffer the stress of unemployment for families and concludes that job sharing strategies represent a highly desirable option among all of those that are available. However, many employers and some unions still perceive economic barriers associated with this important alternative.

While the recent economic upturn has led some to be optimistic about the problem of unemployment and its impact on families, shifts in the American industrial base for the rest of this century will continue to produce displaced workers and dependent families. The problem will not go away. Short term initiatives are needed to reduce suffering, but we are best served in the long run to focus our energies on preventive efforts to help vulnerable families not yet unemployed, creating circumstances in which they can weather the blow of economic displacement and where we can minimize the human tragedy that will otherwise occur.

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PACT—PARENTS AND CHILDREN TOGETHER,
Detroit, MI, January 16, 1984.

MS. VEDA PARKER-SHARP,
Constituent Service Senior Representative,
Southfield, MI.

DEAR MS. PARKER-SHARP: Pursuant to our telephone conversation last Thursday, I am submitting this written testimony for Congressman Sander Levin's Select Committee on Children, Youth and Families.

PACT/Parents and Children Together is an alternative to foster care project affiliated with the Family and Consumer Resources Department at Wayne State University. PACT began as a pilot in 1977 providing service to approximately 60 families. Last year, PACT served 340 families and 1104 children in Wayne County.

Unemployment among the PACT families is very high. Among our December active caseload of 180 families, 85% were listed as unemployed. If the Committee is attempting to gather information about the effects unemployment has on family functioning, we believe we can present a strong case for a correlation between child abuse and neglect and unemployment. Abuse and neglect has been substantiated in all PACT families and referrals have been made to the program in lieu of foster care placement.

We know that many of our families are suffering, not from recent unemployment, but long term unemployment. We know that families with very limited financial resources are often forced to make very difficult choices i.e., to skimp on basics such as food and utilities in order to piece together enough for a security deposit on a new flat or apartment when "improved housing" is court-ordered for the return of their child(ren) in foster care.

Unemployed families do not always seek medical care, even when it is available at no or low cost because they do not have the transportation costs. In some families with several small children, the parent must travel with an infant, 2-year old and 5-year old by public transportation (45–60 minute waits are common during non-rush hours), to the clinic or doctor's office.

Unemployed families love their children, but so much of their time and energy is consumed in trying to survive that there is little left for their child(ren). In fact, it is sometimes a child's normal behavior that triggers the parent's out of control, abusive behavior.

Recent research on increase and decrease in recidivism rates confirmed housing services, transportation, child care, family planning, education and training were the services identified with a decrease in return of the child to protective services. We need to provide these services for families if we are serious about preventing child abuse.

If we can be given 2–3 days lead time, we would like to invite Congressman Levin to one of our Parent Group Sessions so that he may hear firsthand about the effects of unemployment on family functioning.

We hope the Committee will find the verbal and written testimony helpful in their attempts to deal with the pervasive problem of unemployment.

Sincerely,

DOROTHY KISPERT,
Project Director.

Enclosures.

PARENTS AND CHILDREN TOGETHER (PACT), WAYNE STATE UNIVERSITY

PROGRAM DESCRIPTION

PACT is the acronym for Parents and Children Together, a short-term, intensive home-based program which is affiliated with the Family and Consumer Resources Department at Wayne State University.

PACT is funded by the Foster Care Unit of the Wayne County Department of Social Services. All referrals to PACT are made by either Foster Care or Protective Services. Family participation in PACT is voluntary.

The basic goals of PACT are to (1) prevent a foster care placement of children at risk by working with their family; (2) to return children who are in foster care to their biological family; and (3) to make recommendations that may assist the Wayne County Department of Social Services and the Juvenile Court in making permanent placement plans for the child(ren) when a return to the family is not possible.

PACT is a tripartite program providing service to families, training for graduate students who are planning to work in the human services field, and program evaluation in order to assess the effectiveness of PACT's intervention approach to working with high-risk families.

The major service component of PACT is in-home counseling. The counseling is provided by PACT Counselors who are Wayne State University graduate students selected by PACT for a one year internship. The students earn 12 graduate credit hours while carrying a maximum caseload of eight families.

The goals of the in-home counseling service are:

(1) To maintain at least 75% of the children at risk of foster care placement in their families for a period of 90 days or longer after PACT services are terminated.

(2) To return at least 25% of the children in foster care at the time of admission to their natural families or to have had a permanent placement plan developed by termination.

To attain these goals, PACT's specific objectives are to assist in creating a more wholesome environment for the child by:

Improving the families' ability to organize and maintain a safe and healthy home environment;

Providing knowledge and skill in low-income budgeting;

Increasing parents; sensitivity to the child's needs;

Increasing the utilization of appropriate child management and discipline techniques;

Improving health and nutrition standards;

Increasing knowledge and use of community resources.

The monitoring of PACT's progress toward meeting its goals adheres to the traditional model utilized in social service projects:

Initial status of the family is assessed, major problems are identified, and a treatment plan is developed;

Goals and objectives are operationally defined and include realistic time lines;

Ongoing service records are maintained providing the nature of the service and the approach used;

Ongoing case assessments are made by counselors in collaboration with supervisory and auxiliary staff;

Units supportive to PACT's major service component are:

Parent groups

Four groups are run concurrently on an eight week schedule. Sixteen to eighteen parents are enrolled in each group. Transportation and child care are provided for parents who are participants in Parent Groups. The major objectives of these groups are to:

Improve the parent's parenting skills, especially in the area of discipline;

Enhance the parents own growth and development as an adult;

Intake and referral

Reviews all referrals made by Wayne County Department of Social Services to PACT and determines whether or not the family meets PACT's eligibility criteria.

Transportation, donations and home repairs

Provides the transportation for families participating in Parent Groups. This unit secures and delivers donations to families identified as in need of material goods. Moving services are provided to families needing household moves, and home and appliance repairs are provided to PACT families when requested by the counselors.

Support services

The PACT support staff provides all the typing of needs assessments, court reports, and all other official records and documents. It handles all of the incoming telephone calls and is responsible for relaying all messages received on the PACT 24-hour answering service during the regular work week.

It has been well documented since its inception that PACT does, in fact, save Wayne County of Michigan substantial monies by keeping children at risk of placement in their natural homes and by returning children in foster care to their own families in a shorter period of time.

PACT does assist in developing a permanent placement plan for the child before termination when it is impossible for the child to return to its family, but its major thrust is to work to keep "parents and children together."

FACT SHEET

What is PACT?

PACT is a short-term, in-home, family-based service program for high-risk families in Wayne County. It was established in 1977 by the Michigan-Wayne County Department of Social Services and is affiliated with the Family and Consumer Resources Deparment of Wayne State University. To serve the best interest of the child, PACT's aim is to shorten or prevent foster care placement or to facilitate permanency planning. PACT provides ongoing supervision and professional training to graduate students emphasizing intervention skills, parenting skills development, and the ecology of family systems. Ongoing research and evaluation are conducted and encouraged in an effort to generate new knowledge in this area.

Who benefits?

Service

Services were provided to 340 families and 1104 children in 1982-83.

95% of the children referred and who were at high risk of foster placement remained at home.

31% of the children in foster care at the beginning of service were returned home.

5% of the children were provided permanency planning services.

7 months was the average length of service received by families.

Training

Over 100 students have been trained in year-long internships in providing family-based services to high-risk families with infants and children.

Cost/savings

The daily cost of maintaining a child in foster care in 1983-84 ranges from $7.30 to $113.48 per day.

PACT has been successful not only in reducing the state/county cost of foster care, but more importantly in making permanency a reality for many children.

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PREPARED STATEMENT OF STEVEN C. GOLD, MATERNAL AND CHILD HEALTH CONSULTANT, NUTRITION SERVICES, WAYNE COUNTY DEPARTMENT OF HEALTH, WESTLAND, MI

Wayne County has been hit exceptionally hard by unemployment in recent years, with many communities experiencing unemployment rates greater than 15%. The toll in failed businesses, foreclosed home mortgages, and unfulfilled goals and expectations of all sorts is staggering.

The Health Department comes into close contact with the victims of unemployment, and sees the human toll as well as the statistical indicators. The supervisor of one ambulatory health center in the blue-collar Downriver section of the County recalls one startling incident a year ago, when a mother walked in the door carrying a four-week-old infant who had nothing to eat for twenty-four hours! The parents had had no contact with public health or social service agencies before the husband had lost his job, and they literally did not know where to turn for food for their infant. The staff was shocked by the sight of a starving infant, and took quick action to get the child under appropriate care.

In the early 1980's, with laid-off workers numbering in the tens and then hundreds of thousands, it became common to see out-of-work fathers bringing their children into the health center. These were the relatively fortuate families in which the mother had managed to find a low-paying job to keep food on the table, though usually such jobs were insufficient to maintain the family's former standard of living. In families where neither parent could find work, both child abuse and spouse abuse became frequent occurrences.

Demographic data from the Health Department's Maternal and Infant, Children and Youth health centers reveal significant changes in the population served in recent years:

(1) As families lost insurance coverage provided through their jobs and became unable to afford private health care, the number of referrals from the private sector to publicly-funded services increased dramatically: Private physicians referred 54 patients to these health centers in 1979–80, and over 300 in 1982–83. Referrals from private hospitals, which accounted for 11% of all health center registrants in 1979–80, grew to 18% of all registrants by 1982–83.

(2) College-educated parents with no previous experience in using public health services found their way into County health centers in increasing numbers. For example, while 294 college-educated mothers used these services in 1979–80, 690 such women participated in 1982–83.

(3) Predictably, family incomes fell during this time period. Between 1979–80 and 1982–83 families with total incomes less than $3000 per year increased from 20% of all registrations to 29% in Wayne County exclusive of Detroit.

(4) Nor were these families picked up by the Medicaid "safety net." Fifty-five percent of all registrants were Medicaid-enrolled in 1979–80; only 44% were poor enough to qualify for Medicaid in 1982–83—though as we have shown, these families could no longer afford private health care.

The low-birth-weight rate, which is a sensitive indicator of the health status of a population, has showed a significant worsening for minorities in Wayne County in recent years. Low-weight births among Blacks climbed from 13% in 1980 to 13.7% in 1981 to 14.7% in 1982—one out of every seven Black infants at risk of serious medical problems.

The Michigan Department of Public Health has investigated the number of women in Michigan at risk of such complications by studying those below 185% of the poverty line and lacking private health insurance or Medicaid coverage. These are believed to be the "new poor," those who have fallen through the cracks in the

health care system. Women caught in this dilemma are unable to afford adequate—in some cases, any—prenatal care, and are therefore three times more likely to have low-birth-weight infants than are women who have adequate care.

The MDPH study showed that 9500 women—7.2% of all births—are at risk by these criteria. Fourteen hundred of these women lived in Wayne County.

In order to address this problem, MDPH is proposing that prenatal care for non-Medicaid but medically indigent women be funded in part by the State of Michigan, with some matching assistance from the Federal Government. Such a plan can reduce maternal and infant morbidity and mortality, and will also help to contain health care costs. (Every dollar spent on prenatal and postpartum preventive health care saves between four and six dollars in intensive care hospitalization costs.) We hope the members of the Select Committee on Childern, Youth, and Families will support the Federal match for this proposal when it reaches the Congress.

The Wayne County Department of Health is grateful for this opportunity to share information and express our concerns, and will be happy to provide any additional data the Committee may desire.

PREPARED STATEMENT OF OPERATION GET DOWN, FOOD COOPERATIVE SYSTEMS, DETROIT, MI

In December of 1982 Coleman A. Young, Mayor of the City of Detroit, declared a State of Hunger Emergency. A year later the status of this condition still exists as Detroit's struggling economy continues to experience the adverse affects of radically high unemployment.

Using 1979–1983 statistics as a basis for analysis, the unemployment rate almost doubled from 10.6% in January of 1979 to 17% in October, 1983. These figures do not include discouraged job seekers or those that are underemployed. Of the total number unemployed, 31.8 percent are Black.

The results of Detroit's decadent econony are multi-faceted. Between 1970 and 1980, the City's population has experienced a decline of over 20 percent (from 1,514,063 to 1,203,339). The number of total households have dropped from 497,753 to 433,488. Of those remaining, over 400,000 people are receiving some form of public assistance. The General Assistance Program is experiencing the largest increase wherein 68,000 people are receiving this form of aid. The doubled increase over a five year period in G.A. benefits can be directly attributed to the increase in unemployment and exhaustion of unemployment benefits.

Families, unable to cope with the economic and emotional stress, are becoming increasingly fragmented. The proportion of one parent households has increased from 22 to 40 percent in the past five years. Combined with the number of children living with guardians, over half of Detroit's children do not live in traditional two parent homes.

Faced with sub zero temperatures this winter, people on fixed incomes are forced to succumb to higher utilities. With entitlement programs being cut, thousands will be without heat.

The most dramatic effect is the level of hunger and need for emergency food. In 1983 Detroit experienced an increase of over 300% in demand for emergency food. This year the number of soup kitchens has risen from 14 to 20 and tens of thousands wait in line at food distribution programs for USDA food commodities.

The affects of poverty and hunger directly and indirectly have taken its toll on Detroit's youth. 86 percent of children involved in school lunch programs rely on government subsidies. The infant mortality rate is 21.3 deaths per 1,000 live births. Maternal nutrition has direct correlation with infant mortality and child growth and development.

Both the private and public sector have joined forces to address the problem of hunger. One such agency is Operation Get Down, a non-profit community program servicing the Detroit area since 1970. In 1975 OGD initiated a food coop. Functioning as both a pre-order food cooperative, warehouse and delivery system, the coop has grown from two locations in 1975 to eleven. 61,000 low income members receive fresh non-processed produce, grains, dairy and household needs. An average of 100 volunteers per week take orders, unload and bag produce and deliver resulting in minimal operational cost.

Through the Department of Social Services funds, Operation Get Down distributes emergency food boxes to 54,000 disenfranchised poverty income families by incorporating their cooperative process to furnish food boxes to 18 state certified locations in the Wayne County area. Committed to providing food with high nutritional value, the agency uses non-processed fresh produce which has been approved by the

Michigan Department of Agriculture. Non-perishable generic foods such as cheese, powdered milk, etc. are supplemental commodities to the more nutritional items.

The cooperative distribution system combined with the quality food furnished and low operational cost makes Operation Get Down's cooperative the most unique in the City.

With an average size of 2.7, this community oriented program provides food to over 300,000 people in the Metropolitan Detroit area.

CONCLUSION

The state of Detroit's economy has resulted in high unemployment having greater impact on Blacks. The affects of unemployment has directly effected families forced to live on limited restricted income. This has forced a dramatic increase in the need for food and while greater concentration are with minorities, poverty and hunger have touched all segments of Detroit's populace regardless of race, age or socio-economic backgrounds.

PREPARED STATEMENT OF JACQUELINE SCHERER, PH.D., PROFESSOR OF SOCIOLOGY, OAKLAND UNIVERSITY, ROCHESTER, MI

After examining the testimony collected by United Community Services of Detroit from public hearings on "Children of the Unemployed," and reviewing relevant social science research, including data from several studies in progress, I think it will be useful to compare the ways in which children and families appear to be responding to joblessness in 1984 with family responses in 1932–1933. Fortunately, the earlier experiences have been documented and analyzed by Glen H. Elder in his impressive study, "Children of the Great Depression: Social Change in Life Experience." (University of Chicago Press, 1974.)

Elder notes that the usual coping behaviors of families facing unemployment in the Great Depression consisted in cutting back on expenses, modifying life styles, and reducing consumption drastically. This seems to be the predominant coping style for families in the 1980s as well. According to one current study, G. L. Fox, R. Kelly, A. W. Sheldon, "Family Responses to Economic Distress in the Detroit Metropolitan Area," Wayne State University, May, 1982, the most common adaptations are cuts in necessary expenses, sale of assets and borrowing, and major shifts in life style.

A key factor in determining the severity of distress, according to Elder, is the meaning attached to critical events. Thus Elder found that fathers who viewed job loss as personal failure, were more distressed than men who saw joblessness as a social condition. The higher the status of the family before economic decline, the more status consideration affected allocation of resources. For example, hiding need, keeping up appearances, etc. However, as unemployment continued, these factors had to be reduced and survival became the dominant theme.

We saw a similar pattern in the testimony of unemployed parents who have held stable jobs until recently. They could not believe that this was actually happening to them and did not immediately switch to survival budgets until the severity of unemployment became clear.

One of the most persistent views about the impact of the Depression on children was that it brought families closer together: that members shared their misfortune and worked as a unit. Elder's analysis showed that in the middle-class, the family's economic deprivation did lead to resourcefulness and stimulated adaptive skills. However, poorer families did not do as well because they had fewer resources to work with and less opportunity to make significant changes. He concluded that although poorer families were better prepared psychologically for unemployment on the basis of life experiences, (unemployment is a shock to middle-class families), they had fewer options than families who had been better off economically.

This was verified in the hearings. For example, one mother described the activities she has substituted for more expensive recreation since she had been unemployed. On the other hand, other parents report their desperation when they have used up all their resources. Elder's conclusion is as true in 1984 as in the 1930s: "Economic conditions which severely limit options and resources are known to foster apathy, restricted needs and goals and identity foreclosure." (Elder, p. 32)

In 1980 and 1930 children are expected to assume more mature responsibilities and help with family household responsibilities (baby-sitting) and, especially for teenagers, paid work where possible. Adult-like experiences are extended downward in both periods. Also similarly, children report increased self-consciousness among peers, a loss of self-esteem and discomfort because they can't keep up socially and

are somehow different. It is not clear whether these feelings are long-term "scarring effects" or features that are overcome later in adulthood. (Louis Ferman, "Remarks Delivered before the Committee on Labor and Human Resources," Sept. 18, 1980.)

One proposed solution to unemployment has been mobility, and the migrations of the 1930s are now part of our folklore. Similar migrations have taken place in recent years, accompanied by the same trauma for families who pull up roots. Today, however, we have more documentation of the hardships. For example, we are aware of the problems of hunger "(American Hunger Crisis: Poverty and Health in New England," Harvard University School of Public Health, 1984) and the impact of joblessness on physical and mental health. (H. Brenner and A. Mooney, "Unemployment and Health in the Context of Economic Change," Social Science and Medicine, Vol. 17, #16, pp. 1125–1138). Families postpone needed health care. The physical and emotional problems of children are pushed into the background. An all-inclusive term: "stress" is used in the literature to discuss problems that include: child abuse, an increase in the number of neglect cases, suicide, alcoholism, and substance abuse. Social service agencies in Michigan record significant increases in all of these stressful areas.

However, there are major differences between families facing unemployment today when compared with families in the thirties. The most obvious is the extent of unemployment was more widely recognized in the earlier period because it affected people nationwide. Unemployment was given top priority in the national consciousness and widely perceived, whereas unemployment at the present moment has affected particular regions and populations of the country more drastically than others. As a result, those who are unemployed are more bewildered and distressed because they do not understand why they personally cannot find work in spite of their efforts. They often remain silent about their condition, blaming themselves. Joblessness is always destabilizing for families, but when it is thought to be an individual problem rather than a social issue, it is even more difficult to bear.

Another important difference lies in the level of expectations that Americans have about the good life. Families are exposed to constant bombardment from advertisements on television and radio: they have immediate and daily access to visions of affluence. Moreover, many parents grew up under more prosperous conditions and are unaccustomed to hardships. They are less prepared and more reluctant to accept a restricted view of economic well-being.

Most of the unemployed are concentrated in urban areas rather than small towns or farms. They do not have close kin groups or familiar neighbors and are more dependent upon urban institutions. Both children and adults are easily exposed to alcohol and drugs at at time when they have few social supports to help them resist these dangers. Sheldon's 1983 research (Ann W. Sheldon "The Effects of Economic Distress on Children and their Families," Wayne State University, 1983) shows dramatically that unemployed families are isolated and disconnected from the social mainstream. Ironically, many programs that came into being to form an infrastructure of public support, are weakened and diminished by budget cuts at a time when they are most needed. (See chart) Agencies have all they can do coping with demands, let alone develop strong outreach systems. In particular, we find those families struggling the hardest to keep together, often fall between the cracks.

The lesson that the committee should gather from this brief comparison is that unemployment has profound negative impacts on families. It did so in the thirties, and it is doing so today. In many ways, policymakers have been lulled into complacency because they believe the problems are not as severe or that social programs already exist to ameliorate the stress. This impression is wrong. There must be more jobs, more social support, and more recognition that many families need help. The evidence is clear: children and unemployed families are in serious trouble.

A SAMPLE OF: CATEGORICAL CHILDREN'S PROGRAMS CUT SINCE 1981

MORE THAN 30 PERCENT (30 TO 100 PERCENT)

Rehabilitation Services;
Runaway Youth;
Juvenile Delinquency Prevention;
Child Abuse State Grants;
Social Service Demonstrations in Foster Care, Adoption Assistance, Child Welfare Services, Child Welfare Training;
Developmental Disabilities;
School Breakfast;
Child Care Food;

Child Care Equipment;
Summer Food;
Nutrition Education;
Commodities;
Special Milk Program;
Supplemental Food (Women/Infants/Children);
Compensatory Education;
Bilingual Education;
Vocational and Adult Education;
Indian Education;
Follow Through;
Women's Educational Equity;
Student Financial Assistance (Pell, Work/Study, Upward Bound);
Job Corps;
Other Youth Employment;
Public Housing.

CUT BY 20 TO 30 PERCENT

Preventive Health Block Grants;
Mental Health Block Grants;
Community Health Centers Block Grant dealing with Migrant Health, Family Planning;
Maternal and Child Health Block Grant except WIC;
Handicapped Education.

BY 10 TO 20 PERCENT

Immunization;
Venereal Disease Prevetion;
School lunch.

Source: Children's Defense Fund, "A Children's Defense Budget: An Analysis of the President's Budget and Children," 1982

PREPARED STATEMENT OF ALMA STALLWORTH, PRESIDENT, STATE REPRESENTATIVE, METRO-DETROIT AFFILIATE, NATIONAL BLACK CHILD DEVELOPMENT INSTITUTE, INC., DETROIT, MI

The Metro-Detroit Affiliate of the National Black Child Development Institute is grateful to this Committee for the opportunity to present testimony on the effects of long-term unemployment (and underemployment) within the City of Detroit. Inasmuch as the National Black Child Development Institute founded in 1970 as a non-profit, membership organization is dedicated to improving the quality of life for Black Children and their families through public policy advocacy, we are quite concerned about the impact of unemployment on the lives of our people. The well being of the nation, now and in the future, is no where more clearly evident than here in Southeastern Michigan.

Our organization, having been among those who petitioned the Congress for the creation of a Select Committee on Children, Youth and Families, is aware of the fact that the Committee does not have legislative jurisdiction; we are also very much aware of the overall importance of the Committee's areas of authority. In particular we recognize the impact members of this Committee can have in shaping national policy as it addresses issues related to families and the services they may require.

We, therefore, commend and encourage the Committee for holding a hearing which focuses on long-term unemployment, particularly in Michigan, as a new reality which must be given consideration when making future policy decisions.

We interpret the request for testimony to be presented on this occasion as part of a process which represents preparation for budgetary considerations at the federal level which will be crucial in providing the much needed support for these families at risk. Policy development, as we interpret it, is a two part process, the written statement which frames it and the allocation of funds which support the statement.

It is with this awareness that we address what we believe are some of the consequences of unemployment and its meaning for people and again for this community. Our comments today will be directed toward areas in which we feel this Committee can begin to provide the leadership necessary to bring about positive changes in our approach to services for children and their families at risk.

It is not our aim to prolong this statement by documenting in great detail the considerable evidence that the situation is desperate. Rather we welcome the opportunity to assist you in placing on the record our concerns for the millions of persons whose lives and whose hopes are limited by the consequences of unemployment within our state.

One of the most important changes to come from these hearings should be a new/different view of families in need, which we would hope would lead to a new approach to the provision of services. Although often denied or unacknowledged, services at present are provided in relation to an underlying assumption that normal, competent families do not—should not—need help. Decision makers at all levels are influenced by this assumption., As a result, policy directives for providing services all too often reflect restrictive and inconsistent attitudes. The negative views of people and their circumstances frequently results in services being provided only after the family has endured great hardship.

It is clear that the fastest growing segment of the population living at or below the poverty line is children. The number of children living in poverty has increased by 35% since 1959. For children who live in single parent households headed by females, the likelihood of their living in poverty can be dramatically documented. We recognize that unemployment is not synonomous with poverty, but is certainly a contributing factor.

Unemployment is significantly higher among Black Americans. For many years the unemployment rate for Balcks has been two to two and one half times higher than the rate for Whites. For young people, these rates are often double the rates experienced by the general population and the unemployment rates for young, Black Americans is generally four times the average. A more significant fact is that the "upturn" in the economy in late 1983 has not greatly improved the unemployment rate for these citizens.

As a possible policy option, the Canadian government has a youth training and employment program worthy of examination as a model which may be adapted to our needs here in the United States. During 1983, economic revitalization efforts within the state yielded some unique achievements. The Government and the State Legislature provided funding for the Michigan Youth Corp which became one of the most successful job programs in the United States. It created 25,000 summer jobs for youth. Project Stepping Stone provided career counseling for 10,000 of those young people and set up interviews with Michigan corporations and associations for 5,000 of the participants.

A statewide public works program has also created over 20,000 jobs for skilled workers and invested over $800 million in Michigan.

The Federal Job Training Partnership Act has generated plans for special programs which will meet specific needs of Michigan's unemployed serving displaced workers, older workers, and hard to place workers. Training will be emphasized in order to fulfill our state's commitment to train or retrain workers for any company wishing to do business or expand operations in Michigan. The Governor has recommended $35.5 million, including $1.1 million in State General Fund dollars, for these programs. This same kind of on-going commitment is needed at the federal level.

It is our concern that the most serious consequences of unemployment and the poverty which surrounds it cannot be easily measured in statistical terms. In past generations the "American Dream"—if not attainable for all—was at least envisioned by all. The immigrant, whether from another country, or as is often the case in Michigan, from another state, found that their labor was *needed*—even if it was not always compenstated fairly. There was hope that opportunity for advancement and improved living conditions could come, if not within their lifetimes, than certainly within the lifetimes of their children. This was the belief, the "dream"—and essential to fulfilling that dream was the opportunity and the ability to find employment. Employment establishes an order—a reference for organizing one's life and time. The sucess or failure of one's performance as a family member is often associated with unemployment.

Fragmentation of the family can occur in many ways within the Black community. For example, it may result from state intervention related to child abuse and neglect. While such abuse occurs equally in stable and unstable marital status families most parent perpetrators have less than full high school education and are either unemployed or unskilled. According to the Michigan Department of Social Services, Office of Children and Youth Services, in 1982, 37,561 referrals were received and considered appropriate for investigation. Of those, 15,902 were substantiated. From that figure the total number of victims was 26,474; 7,363 were Black.

Severity of injury is disproportionately high when the perpetrator is a teenager, or is black, or when the victim is 0–2 years of age and is black.

In addition, the Michigan Department of Social Service has indicated that over the past 36 months the overall figures reveal some significant facts regarding trends in child welfare:

There has been a gradual and statistically significant drop in the Department's total child welfare caseload since January, 1981. The drop in this population (foster care, delinquency, and adoption) is the result of fewer White children being served. In spite of the overall drop, however, significantly more Black children are being served. This is particularly true of the 12 and over Black child population which increased by 8.1%.

In addition, considerably more Black children are served in every age group than would be expected given their representation in the general population. In January—March, 1981, 52% of all 7-11 year olds, and 36.6% of all children 12 and older who were served were Black.

In terms of placements used for children in the Department's care, there has been a significant increase in the average number of placements. Black children are in placements significantly longer than White children. However, Black children have fewer permanent placements.

The Department's figures for handicapped children in placement show a distinct racial bias. Analyses show that Black children with handicaps are more likely classified as mentally retarded; White children are more likely classified as having learning disabilities. Black children are also more likely to be handicapped as a result of health conditions and White children are more likely to be handicapped as a result of emotional illness.

We would also like to bring to your attention some of the statistics which point to serious increases in the need for community based mental health programs.

There are more than 40,081 clients in the Wayne County community mental health system. Of these, 21,538 (53.7%) are male, 18,543 (46.3%) are female. Ethnicity 18,136 (45.2%) are white, 20,827 (52%) are black. Other ethnic groups represented are American Indians—less than 1%, Hispanic—1.6%, Asian—less than ½%, and other representing .8%. Income—15.6% of the clients are on social security; 22.1% on public assistance; and 18.2% have incomes under $10,000. Combining the first two figures, there are 55.9% unemployed and living within a poverty level, i.e., with incomes under $10,000.

Data on children and their families served within the county mental health system: There are 2,867 children and their families being served in the mental health system. 2,216 of these are under 17 years of age which is more than 57% of the children represented. The young adult group considered 18–21 represent almost 3%. Sex—56% of the children are male, 44% female. Ethnicity—47% white, 51% black, 2% representing Hispanic, Asian, American Indian, and other ethnic groups. Income—4.6% of the children and families are receiving social security, 45% receiving public assistance, and 16.4% with incomes under $10,000 for a total of 66% of the children and their families within the poverty range.

Of the 2,867 children being served in the County mental health system, there is a disproportionate number of males, almost 56%; a majority of Black and other minorities, representing 53%; and almost 58% of the children are under age 17 and they are in poverty with severe emotional disturbances.

In addition to the need for increases in funding for community based mental health services, availability and access to all types of quality, comprehensive health care is essential for these families at risk.

Wayne County continues to rank among the top five counties with the highest infant mortality rate in the state. Michigan's infant death increases have been associated with many causes, however, two-thirds of all deaths are associated with low birth weight. Not only are these babies at high risk of dying, they also require care, sometimes for long periods of time in neonatal intensive care units at a cost which may exceed $1,000 per day.

Low birth weight infants are many times more likely as heavier infants to die in their first year of life. Maternal factors associated with the high risk of having a low birth weight infant include: Socio-economic, behavioral and biological characteristics such as age, race, socio-economic status, education, marital status, weight gain during pregnancy, cigarette smoking, drug use, alcohol use or insufficient prenatal health care.

There is no mystery concerning what is needed to increase birth weights and reduce infant mortality. Early and sustained comprehensive prenatal care is one of the most effective services to prevent low birth weight, infant deaths and other complications of pregnancy which cause severe illness and disability to newborns. Care

should begin in the first trimester and continue until delivery, with an average of 12–14 visits.

We urge the Congress to expand the eligibility for prenatal care and to include all aspects of comprehensive care for pregnant women regardless of age. The current reduction in the Maternal Child Health Block Grant will seriously impede our current preventive programs. It will represent a loss of $3.2 million and services to 40,000 mothers and children!

We also urge the Committee to oppose proposals being made at the federal level to reduce Medicaid matching dollars for the State of Michigan and to require co-payments from recipients. The 3% reduction in Medicaid matching dollars would mean a loss of approximately $41.8 million to the State. This loss would result in drastic cutbacks in vital programs and services. Requiring a recipient to make a co-payment would result in many of the most needy citizens being denied health care.

It is our hope that testimony from this hearing will reinforce for the Committee our belief that long-term unemployment in our state has resulted in the need for a new approach to the provision of services to families in need. We would like the Committee to further explore the following recommendations:

Develop a new approach to the provision of services to families;

Strengthen the services provided to children in our child welfare systems;

Establish an on-going commitment at the federal level to employment and training programs of our most disadvantaged citizens;

Access to quality, comprehensive mental health and health care services, including increased funding;

No reduction in Medicaid matching funds and no requirement that recipients make co-payments for badly needed services.

Prepared Statement of Eugene E. Pettis, Executive Director, Detroit East, Inc. Community Mental Health Center

I am Eugene Pettis, Executive Director of Detroit East Community Mental Health Center, one of the 42 service providers of mental health services in Wayne County under contract with the Detroit-Wayne County Community Mental Health Board. We receive federal block grant funds from the State Department of Mental Health administered by the Detroit-Wayne County Community Mental Health Board.

The following data on mental health clients within Wayne County is from the Detroit-Wayne County Community Mental Health Board's Service Activity Systems, Client Demographic Summary Report on All Clients with Direct Service for the Period October 1, 1982 through September 30, 1983.

		Percent
Total all clients	40,081	
Sex:		
Male	21,538	53.7
Female	18,543	46.3
Ethnicity:		
White	18,136	45.2
Black	20,827	52
American Indian	105	.3
Hispanic	632	1.6
Asian	50	.1
Other	331	.8
Income:		
SS	6,236	15.6
Public assistance	8,872	22.1
Income under $10,000	7,254	18.2
Total	23,362	55.9
Total children	2,867	
Sex:		
Male	1,601	55.8
Female	1,266	44.2

		Percent
Ethnicity:		
White	1,348	47.0
Black	1,473	51.4
American Indian	6	.2
Hispanic	16	.6
Asian	3	.1
Other	21	.7
Income:		
SS	132	4.6
Public assistance	1,291	45
Income under $10,000	473	16.4
Total	1,896	66

There are more than 40,081 clients in the Wayne County community mental health system. Of these, 53.7% are male and 46.3% are female.

Ethnicity—45.2% are white and 52% are black. Other ethnic groups represented are American Indian, less than 1%, Hispanic, 1.6%, Asians, less than ½%, and other ethnic groups representing .8%.

Income—15.6% of the clients are on social security, 22.1% on public assistance, and 18.2% have income under $10,000. Combining these figures, a total of 55.9% are unemployed and living within a poverty level, i.e., with incomes under $10,000.

Specific data on children and their families served within the mental health system are as follows: There are 2,867 children and their families being served in the County mental health system. 2,216 of these children are under 17 years of age which is more than 57% of the children represented. The young adult group considered between the ages of 18–21 represented almost 3%.

Sex—56% of the children are male and 48% are female.

Ethnicity—47% are white, 51% are black, and 2% representing Hispanic, Asian, American Indian, and other ethnic groups.

Income—4.6% of the children and their families are receiving social security, 45% are receiving public assistance, and 16.4% of the children are in families with incomes under $10,000 for a total of 66% of the children and their families are being considered within the poverty range.

In addition, there are 47 children in residential placement being supervised by our Community Case Management Agency and there are 31 children who are in adolescent Partial Day Programs and 109 in Partial Day Programs for children under twelve years of age. This represents a low number of children in these special programs for the need is much greater.

The most frequently occurring diagnostic categories of the children served in the mental health system are as follows: the highest, 309 diagnosed as Adjustment Reaction, the second most occurring is under "Socialized Conduct Disorder—Aggressive Type", and third, "Paranoid Personality Disorder" which concludes that the children served are in the three most severe diagnostic categories.

As director of Detroit East Community Mental Health Center, we are only one of the 42 community mental health agencies in the County servicing children and their families. We formerly provided twelve (12) programs under previous community mental health legislation (Public Act 94–63). With the change to Block Grant method of funding, we are now only required to provide five (5) services—outpatient, partial hospitalization, consultation and education, court screening services, and emergency services. With the Block Grants, our funding was reduced and we are now required to make up any reduction in funding by increased revenue from Medicaid or Title XIX funding. However, any increase in revenue generated by this method must now cover Wayne County deficits to fund the Wayne County jail and other county mental health services not previously covered by County mental health dollars as well as covering reductions within the mental health system to agencies which are not eligible for Medicaid or Title XIX reimbursement. This method of covering a portion of the County deficit creates a greater shortage of already scarce dollars for mental health services and further erodes the total system.

We have had to reduce our Children's Service Staff from seven highly trained social workers to three and one half social workers and our caseload capacity was reduced from servicing 300 children and their families to the current caseload of less than 200 children and their families.

The need in Wayne County continues to increase, not only for Children's Services but for all populations—those persons being released from the State Mental Hospitals, new families or clients who are experiencing stress due to unemployment, high crime, and other social conditions, older adults who are afraid to venture out into the community, the high incidents of teenage pregnancies, infant mortality, and many other social conditions too numerous to enumerate. We urge for an increase in federal funds for community mental health services which will help to alleviate the strain we are now under due to current socio-economic conditions.

STATEMENT OF MARIE-LUISE FRIEDEMANN, ASSISTANT PROFESSOR OF NURSING EDUCATION, EASTERN MICHIGAN UNIVERSITY YPSILANTI, MI

The aim of the study * was to address the impact of economic stress and unemployment on intact families and their kindergarten children. Fifty-two white, predominantly blue-collar families were visited in their homes in summer 1983 and interviewed extensively. Of these families 57% had been unemployed during the two years ending at data collection; 27% were unemployed when visited. In addition, the average family had suffered a loss of income of 24%. Economic stress was measured in terms of length of unemployment in months, family income setback (difference between highest earned income and 1982 family income) and the 1982 gross family income.

Impact on the kindergarten-age child was investigated by observing the behavior of the child with peers on the school playground. (Collaboration with Ypsilanti, Lincoln Consolidated and Wayne-Westland Schools). The assumption that family stress may delay the child's social development and that social inadequacy may be manifested when the child interacts with peers was tested. The children's behavior acts as leaders or followers of the group or as loners were scored. The peers' responses to the child's behavior were also scored.

Effects of economic stress on the parents were measured in terms of depression (measured with a standard instrument) and the marital relationship (as reported by the parents).

Analysis indicated that economically stressed fathers were more likely to be depressed than fathers with less severe finanical problems. Economic hardship also affected the marital relationship and marital problems seemed to increase both the mother's and the father's depression. A supportive marital relationship acted as protection against depression.

Children of families with income setbacks of 31% or more scored more negative peer responses during play than other children (mainly being excluded from the group). Such children withdrew from the group more often and were less involved in play.

Another behavior pattern was evident also in connection with high family stress: the child was assertive with peers, attempting to be the center of attention and often leading the group. Peer responses were mainly positive. This pattern was believed to be a compensation for unmet needs in the family.

Evidence showed that both behavior patterns were pronounced in children from families with longstanding stress. Economic stress was a factor in most but not all families, and in all cases other stress was present also. Economic stress and unemployment seemed to act by intensifying preexisting friction between marital partners and making coping more difficult. Effects on children were not seen in families where fathers used the ralationship with the child to counteract their own depression and were able to maintain their status within the family. However, if parents used up their coping resources and no longer supported each other, depression seemed to become chronic and to affect the child.

Vulnerability of children in terms of emotional problems later in their life seemed high for children who tended to withdraw from peers. While the assertive behavior pattern was clearly adaptive at the time of observation, its future outcome seems uncertain. To keep respect of peers such children are required to continuously adjust to changing group norms. A lag in social maturity due to family stress may make such adaptation difficult and may lead to failure.

Results of this study cannot be understood as concrete evidence since the project was exploratory and limited in scope. Findings have to be treated with caution but serve as a warning since there is a possibility that relatively benign symptoms may

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* "Peer Group Behavior of Kindergarten Children Associated with Unemployment, Family Economic Stress and Parental Depression," Marie-Luise Friedemann, Eastern Michigan University.

turn into severe problems for individuals and the society, such as emotional and mental illness or social problems.

Economic stress and unemployment cannot be considered a cause of social and emotional ailment but it poses great danger to marginally functioning families with few coping resources (education, social skills, intelligence, etc.) Social policy formation needs to be directed toward this population segment.

COMMUNITY CASE MANAGEMENT SERVICES, INC.,
Detroit, MI, March 5, 1984.

Hon. SANDER M. LEVIN,
U.S. House of Representatives,
Southfield, MI.

DEAR CONGRESSMAN LEVIN: We are very pleased to learn that the Select Committee on Children, Youth and Families is holding this very important field hearing regarding the impact of unemployment on family functioning.

As you are aware, Detroit, as well as some other cities, is largely an industrial town and economically has been vastly affected by the large reductions in the automotive companies reduction of labor forces.

As the wage earner's unemployment benefits become exhausted, family pressures mount at all levels emotional and financial. A large number of children from these families are beginning to be referred for the first time to mental health services; a very large number of formerly "self-supporting families" are also applying for various levels of public assistance. Single parents who have lost alimony and child support funds are also turning to Aid to Dependent Children's Services and/or General Assistance for assistance with basics; i.e. clothing, food vouchers, medical and rent vouchers.

With our agency (Community Case Management Services, Inc.) being one and one half blocks from a food distribution center, we can observe the two and three block (all day) lines of people waiting in all kinds of weather for the distribution of free food (cheese, dry milk, etc.) The dramatic increase in the large number of people and growing long lines is very apparent of the "new poor".

Our children's placement staff has noted several instances of parents withdrawing their children from placement facilities, terminating treatment, in order to have their ADC grants increased, as the restored allocation to their grants increases their food and clothing allowance. A few parents have also withdrawn their children from residential facilities once their younster become SSI eligible. These monies are then utilized for the entire family, even though the younster clinically needs/requires the recommended residential treatment program. Therefore, the end result becomes that of sacrificing one child's chance for improved mental health for the "good" of his/her entire family. Some families have also been unable to participate in the family treatment aspect during the child's placement due to lack of funds for their own transportation.

Although we have no hard figures to support the following, it is apparent that many families in the unemployed are also not seeking outpatient clinic help for their children who are having difficulties because of the cost of transportation in getting the child to the clinic for service, even when the clinics have waived a nominal fee (no clinic refuses services because of inability to pay).

Sincerely,

IDA M. BROCK,
ACSW, Executive Director.

University Associates
Evaluation and Research ▪ 1034 East Saginaw ▪ Lansing, Michigan 48906 ▪ (517) 372-2261

May 10, 1984

Judy Weiss
House Select Committee for
Children, Youth & Families,
H2-385 House Annex No. 2,
Washington, D.C. 20515.

Dear Ms. Weiss,

Jeffrey Taylor of the Michigan Department of Health's Division of Maternal and Infant Health has informed us that you have requested some information from our recent Michigan Prenatal Hospital Survey. The final report on the project is now at the printer and should be available in a few weeks. We would be glad to send you a copy when they become available.

In the meantime we are sending you the Executive Summary which provides an overview of the methodology that was used, as well as a summary of the major findings. Additionally we are including a breakdown that compares the responses of the unemployed and employed respondents with the total sample. The responses for each sample are presented on copies of the actual Prenatal Survey Questionnaire. The number of respondents for each sample can be found in the upper right hand corner of each questionnaire. Please note that because of some missing data these numbers do not necessarily represent the actual number of respondents to any single item. Responses to the alcohol question were uninterpretable and therefore have been omitted.

I hope you find the enclosed information useful. We would be glad to accomodate any more extensive analyses that you might need at a nominal charge to cover our computer expenses. If we can be of any assistance in the future please contact me directly.

Sincerely,

Joseph M. Bornstein

FREQUENCIES FOR EMPLOYED

PRENATAL CARE QUESTIONNAIRE

N = 1435

Instructions: In order to improve maternal and infant health services in Michigan, the Department of Public Health is collecting information regarding the health care received by expectant mothers. This type of health care is referred to as prenatal care and includes a variety of medical and other preventive procedures to improve the health of the mother and her infant. We would like to ask you some questions specifically about prenatal health care and the circumstances during your pregnancy. We have also included some additional questions which are intended to insure that we have gathered information which is representative of Michigan's mothers. Your answers to these questions will be kept strictly confidential.

This study has been designated as a medical research project under Sections 2631, 2632, 2633 and 2635 of the Public Health Code P.A. 368 of 1978. This means that all information provided will be kept confidential and used only for statistical, scientific and medical research purposes. Participation is voluntary and no health services may be withheld for those deciding not to fill out the survey. In order to insure your anonymity, we ask you not to put your name on the questionnaire, but we do ask you to answer as accurately as you can. Most of the questions are matters of opinion, so there are no "right" answers. Your answers are the only "right" ones.

1. Who was your main health care provider during your pregnancy? (CHECK ONE)

97.6% _1. Physician
.7% _2. Certified Nurse-Midwife
1.2% _3. Other _____ (specify)
.5% _4. Received no prenatal care

2. In what month of your pregnancy did you begin prenatal care?

First: 88.3%
Second: 9.1% (1st, 2nd, etc.)
Third: 2.6%

3. Approximately how many visits to your health care provider did you make during your pregnancy?

(GIVE NUMBER) Avg: 12.2
Range: 0-48

4. Please indicate which, if any, of the following health services or treatments you received during your pregnancy? (READ EACH PROCEDURE AND CHECK ANSWER)

% YES	% NO	
44.8	55.2	Expectant Parent Education
92.8	7.2	Complete Physical and Pelvic Exam
39.3	60.7	Nutritional Counseling
5.4	94.6	Social Counseling
2.2	97.8	Home Nursing Visit
63.5	36.8	Ultrasound
5.8	94.2	Amniocentesis
10.2	89.8	Other _____ (specify)

5. Overall, how satisfied were you with the quality of health care you received during your pregnancy? (CHECK ANSWER)

76.4% _1. Very Satisfied
21.6% _2. Satisfied
1.5% _3. Neither Satisfied nor Dissatisfied
.4% _4. Dissatisfied
.1% _5. Very Dissatisfied

6. Did you have enough food during your pregnancy?

98.8% _yes
1.2% _no

7. For women in general, how important do you feel it is for them to receive prenatal care during a pregnancy? (CHECK ANSWER)

91.9% _1. Very Important
6.6% _2. Important
1.0% _3. Undecided
.3% _4. Unimportant
.1% _5. Very Unimportant

The next few questions pertain to insurance matters.

8. How did you pay for the prenatal care you received during this pregnancy? (CHECK ANSWER)

73.4% _1. Health Insurance
5.6% _2. Health Maintenance Organization (Prepaid Group Practice)
7.2% _3. Medicaid
11.6% _4. Personal Income or Savings
.7% _5. Free Public Clinic
.1% _6. Loan
.6% _7. Unable to Pay
.8% _8. Other _____ (specify)

(IF YOU HAD HEALTH INSURANCE, INCLUDING HMO AND MEDICARE, GO TO QUESTION 11. IF NOT, ANSWER 9 AND 10.)

9. Did you previously have health insurance?

67.8% yes 32.2% no

(IF YES TO QUESTION 9, ANSWER QUESTION 10)

10. When did you lose insurance coverage?

_____ (Date)

11. During your pregnancy, was the major income earner in your household employed?

_yes
_no

12. How difficult was it for you to pay for the prenatal care you received during your pregnancy? (CHECK ONE)

1.9% _1. Impossible
2.8% _2. Very Difficult
5.4% _3. Difficult
18.6% _4. Somewhat Difficult
71.3% _5. Not Difficult

13. How many miles from your home was the closest hospital to deliver your baby?

Avg: 8.9 _____ miles (Give Number)
Range: 0-55

14. How many miles did you travel on each visit to receive prenatal care during your pregnancy?

Avg: 11.6 _____ miles (Give Number)
Range: 0-99

15. Was transportation a major obstacle to you in receiving prenatal care during your pregnancy? (CHECK ANSWER)

7.7% _yes
92.3% _no

16. If you were age 17 or younger, did you experience difficulty in signing up for prenatal care because you were considered a minor?

2.6% _yes
97.4% _no

17. Could you have used assistance in obtaining prenatal care?
3.1% __yes
).9% __no

18. How likely is it that you would use it, if free or low cost prenatal care were available for low-income women in need? (CHECK ONE)
'.5% __1. I am certain I would use it.
5.2% __2. I would be very likely to use it.
'.2% __3. I might use it.
__4. I would not be very likely to use it.
).2% __5. I am certain I would not use it.
).9%

19. Name the county you live in.

_____

20. Give the City, Village, and Township of your residence (not street address)

_____

_____

Zip Code _____

21. Your Birthdate Avg. Age: 26.7
Month Day Year
Range: 15-45

22. Are you Hispanic?
__yes
__no

8.4% 23. What is your race?
88.8% __Black
1.6% __White
1.2% __Other _____ (specify)
Hispanic

24. Infant Birthweight:
LT 2500 gms: 4.0%
2500-5000: 95.4%
GT 5000 gms: .7%

16.8% 25. Baby was born:
61.5% __early
21.7% __at about nine months
__late

26. Infant Status:
97.5% __born alive and healthy
2.5% __born alive with illness
.1% __died, before or after birth

27. Pregnancy Complications
78.2% __no
21.8% __yes _____ (Please Specify)

_____

28. Total family income for the last 12 months before deductions (in dollars)
Avg: $23,000.20
Range: $0 - $99,999.00

29. How many people are in your family, that is, the number supported by this income?
Avg: 3.4
Range: 0-9

30. Does this income include any public assistance, food stamps or unemployment compensation?
87.1% __no
12.9% __yes

31. Last grade of school or degree completed Avg: 13
(specify grade)

32. Approximately how many cigarettes did you smoke per day during your pregnancy?
Avg: 4.3
(State Number)
Range: 0 - 40

33. On the average, how many alcoholic drinks did you consume per day during this pregnancy?

_____
(State Number)
(One drink is equal to 1 oz. of alcohol, one glass of wine or one beer.)

34. COMMENTS:

FREQUENCIES FOR UNEMPLOYED

PRENATAL CARE QUESTIONNAIRE

N = 473

Instructions: In order to improve maternal and infant health services in Michigan, the Department of Public Health is collecting information regarding the health care received by expectant mothers. This type of health care is referred to as prenatal care and includes a variety of medical and other preventive procedures to improve the health of the mother and her infant. We would like to ask you some questions specifically about prenatal health care and the circumstances during your pregnancy. We have also included some additional questions which are intended to insure that we have gathered information which is representative of Michigan's mothers. Your answers to these questions will be kept strictly confidential.

This study has been designated as a medical research project under Sections 2631, 2632, 2633 and 2635 of the Public Health Code P.A. 368 of 1978. This means that all information provided will be kept confidential and used only for statistical, scientific and medical research purposes. Participation is voluntary and no health services may be withheld for those deciding not to fill out the survey. In order to insure your anonymity, we ask you not to put your name on the questionnaire, but we do ask you to answer as accurately as you can. Most of the questions are matters of opinion, so there are no "right" answers. Your answers are the only "right" ones.

1. Who was your main health care provider during your pregnancy? (CHECK ONE)

93.0% _1. Physician
1.2% _2. Certified Nurse-Midwife
3.1% _3. Other _____ (specify)
2.7% _4. Received no prenatal care

2. In what month of your pregnancy did you begin prenatal care?

First: 72.3%
Second: 18.0% (2nd, etc.)
Third: 8.8%

3. Approximately how many visits to your health care provider did you make during your pregnancy?

(GIVE NUMBER) Avg: 11.1
Range: 0-36

4. Please indicate which, if any, of the following health services or treatments you received during your pregnancy? (READ EACH PROCEDURE AND CHECK ANSWER)

% YES	% NO	
27.2	72.8	Expectant Parent Education
89.1	11.1	Complete Physical and Pelvic Exam
40.7	59.3	Nutritional Counseling
14.0	86.0	Social Counseling
7.2	92.8	Home Nursing Visit
67.5	32.5	Ultrasound
4.9	95.1	Amniocentesis
6.6	93.4	Other _____ (specify)

5. Overall, how satisfied were you with the quality of health care you received during your pregnancy? (CHECK ANSWER)

79.8% _1. Very Satisfied
13.9% _2. Satisfied
3.5% _3. Neither Satisfied nor Dissatisfied
1.2% _4. Dissatisfied
1.6% _5. Very Dissatisfied

6. Did you have enough food during your pregnancy?

95.4% _yes
4.6% _no

7. For women in general, how important do you feel it is for them to receive prenatal care during a pregnancy? (CHECK ANSWER)

85.9% _1. Very Important
10.2% _2. Important
2.9% _3. Undecided
.2% _4. Unimportant
.8% _5. Very Unimportant

The next few questions pertain to insurance matters.

8. How did you pay for the prenatal care you received during this pregnancy? (CHECK ANSWER)

14.3% _1. Health Insurance
2.8% _2. Health Maintenance Organization (Prepaid Group Practice)
75.4% _3. Medicaid
2.9% _4. Personal Income or Savings
2.2% _5. Free Public Clinic
- _6. Loan
_7. Unable to Pay
1.6% _8. Other _____ (specify)
.8%

(IF YOU HAD HEALTH INSURANCE, INCLUDING HMO AND MEDICARE, GO TO QUESTION 11. IF NOT, ANSWER 9 AND 10.)

9. Did you previously have health insurance?

57.8% yes 42.2% no

(IF YES TO QUESTION 9, ANSWER QUESTION 10)

10. When did you lose insurance coverage?

_____ (Date)

11. During your pregnancy, was the major income earner in your household employed?

_yes
_no

12. How difficult was it for you to pay for the prenatal care you received during your pregnancy? (CHECK ONE)

9.6% _1. Impossible
7.9% _2. Very Difficult
6.2% _3. Difficult
6.2% _4. Somewhat Difficult
10.0% _5. Not Difficult
66.2%

13. How many miles from your home was the closest hospital to deliver your baby?

Avg: 8.1 miles (Give Number)
Range: 0-55

14. How many miles did you travel on each visit to receive prenatal care during your pregnancy?

Avg: 8.5 miles (Give Number)
Range: 0-99

15. Was transportation a major obstacle to you in receiving prenatal care during your pregnancy? (CHECK ANSWER)

27.6% _yes
72.4% _no

16. If you were age 17 or younger, did you experience difficulty in signing up for prenatal care because you were considered a minor?

8.4% _yes
91.6% _no

17. Could you have used assistance in obtaining prenatal care?
7.0% __yes
3.0% __no

18. How likely is it that you would use it, if free or low cost prenatal care were available for low-income women in need? (CHECK ONE)
3.0% __1. I am certain I would use it.
0.0% __2. I would be very likely to use it.
4.0% __3. I might use it.
2.1% __4. I would not be very likely to use it.
3.6% __5. I am certain I would not use it.

19. Name the county you live in.

20. Give the City, Village, and Township of your residence (not street address)

Zip Code

21. Your Birthdate Avg. Age: 23
Month Day Year
Range: 13-43

22. Are you Hispanic?
__yes
__no

23. What is your race?
35.7% __Black
59.8% __White
3.2% __Other
1.4% (specify) Hispanic

24. Infant Birthweight:
LT 2500 gms.: 10.0%
2500-5000: 89.8%
GT 5000 gms.: .2%

25. Baby was born:
19.7% __early
59.0% __at about nine months
21.3% __late

26. Infant Status:
94.4% __born alive and healthy
5.4% __born alive with illness
.2% __died, before or after birth

27. Pregnancy Complications
77.5% __no
22.5% __yes (Please Specify)

28. Total family income for the last 12 months before deductions (in dollars)
Avg: $4,800.80
Range: $0 - $85,000.00

29. How many people are in your family, that is, the number supported by this income?
Avg: 3.1
Range: 1-15

30. Does this income include any public assistance, food stamps or unemployment compensation?
17.6% __no
82.4% __yes

31. Last grade of school or degree completed Avg: 11.4
(specify grade)

32. Approximately how many cigarettes did you smoke per day during your pregnancy?
Avg: 8.4
(State Number)
Range: 1-15

33. On the average, how many alcoholic drinks did you consume per day during this pregnancy?
(State Number)
(One drink is equal to 1 oz. of alcohol, one glass of wine or one beer.)

34. COMMENTS:

FREQUENCIES ON TOTAL SAMPLE

PRENATAL CARE QUESTIONNAIRE

N = 1959

Instructions: In order to improve maternal and infant health services in Michigan, the Department of Public Health is collecting information regarding the health care received by expectant mothers. This type of health care is referred to as prenatal care and includes a variety of medical and other preventive procedures to improve the health of the mother and her infant. We would like to ask you some questions specifically about prenatal health care and the circumstances during your pregnancy. We have also included some additional questions which are intended to insure that we have gathered information which is representative of Michigan's mothers. Your answers to these questions will be kept strictly confidential.

This study has been designated as a medical research project under Sections 2.31, 2632, 2633 and 2635 of the Public Health Code P.A. 368 of 1978. This means that all information provided will be kept confidential and used only for statistical, scientific and medical research purposes. Participation is voluntary and no health services may be withheld for those deciding not to fill out the survey. In order to insure your anonymity, we ask you not to put your name on the questionnaire, but we do ask you to answer as accurately as you can. Most of the questions are matters of opinion, so there are no "right" answers. Your answers are the only "right" ones.

1. Who was your main health care provider during your pregnancy? (CHECK ONE)

96.4% 1. Physician
.8% 2. Certified Nurse-Midwife
1.7% 3. Other _____ (specify)
1.1% 4. Received no prenatal care

2. In what month of your pregnancy did you begin prenatal care?

First: 84.0%
Second: 11.1% (1st, 2nd, etc.)
Third: 4.9%

3. Approximately how many visits to your health care provider did you make during your pregnancy?

Avg: 11.9 (GIVE NUMBER) _____
Range: 0-48

4. Please indicate which, if any, of the following health services or treatments you received during your pregnancy? (READ EACH PROCEDURE AND CHECK ANSWER)

% YES	% NO		
40.1	59.9	yes no	Expectant Parent Education
91.8	8.2	yes no	Complete Physical and Pelvic Exam
39.6	60.4	yes no	Nutritional Counseling
7.7	92.3	yes no	Social Counseling
3.5	96.5	yes no	Home Nursing Visit
64.6	35.4	yes no	Ultrasound
5.6	94.4	yes no	Amniocentesis
9.2	90.8	yes no	Other _____ (specify)

5. Overall, how satisfied were you with the quality of health care you received during your pregnancy? (CHECK ANSWER)

72.6% 1. Very Satisfied
24.8% 2. Satisfied
1.8% 3. Neither Satisfied nor Dissatisfied
.6% 4. Dissatisfied
.3% 5. Very Dissatisfied

6. Did you have enough food during your pregnancy?

97.9% yes
2.1% no

7. For women in general, how important do you feel it is for them to receive prenatal care during a pregnancy? (CHECK ANSWER)

90.3% 1. Very Important
7.6% 2. Important
1.5% 3. Undecided
.3% 4. Unimportant
.3% 5. Very Unimportant

The next few questions pertain to insurance matters.

8. How did you pay for the prenatal care you received during this pregnancy? (CHECK ANSWER)

57.8% 1. Health Insurance
4.9% 2. Health Maintenance Organization (Prepaid Group Practice)
25.2% 3. Medicaid
9.3% 4. Personal Income or Savings
1.1% 5. Free Public Clinic
.1% 6. Loan
.8% 7. Unable to Pay
.8% 8. Other _____ (specify)

(IF YOU HAD HEALTH INSURANCE, INCLUDING HMO AND MEDICARE, GO TO QUESTION 11. IF NOT, ANSWER 9 AND 10.)

9. Did you previously have health insurance?

63.6% yes 36.4% no

(IF YES TO QUESTION 9, ANSWER QUESTION 10)

10. When did you lose insurance coverage?

_____ (Date)

11. During your pregnancy, was the major income earner in your household employed?

75.2% yes
24.8% no

12. How difficult was it for you to pay for the prenatal care you received during your pregnancy? (CHECK ONE)

3.9% 1. Impossible
4.1% 2. Very Difficult
5.6% 3. Difficult
16.4% 4. Somewhat Difficult
70.0% 5. Not Difficult

13. How many miles from your home was the closest hospital to deliver your baby?

Avg: 8.7
Range: 0-55 _____ miles (Give Number)

14. How many miles did you travel on each visit to receive prenatal care during your pregnancy?

Avg: 10.8 _____ miles (Give Number)
Range: 0-99

15. Was transportation a major obstacle to you in receiving prenatal care during your pregnancy? (CHECK ANSWER)

13.0% yes
87.0% no

16. If you were age 17 or younger, did you experience difficulty in signing up for prenatal care because you were considered a minor?

4.1% yes
95.9% no

17. Could you have used assistance in obtaining prenatal care?
19.2% _yes
80.8% _no

18. How likely is it that you would use it, if free or low cost prenatal care were available for low-income women in need? (CHECK ONE)
40.0% _1. I am certain I would use it.
15.0% _2. I would be very likely to use it.
16.4% _3. I might use it.
12.4% _4. I would not be very likely to use it.
16.2% _5. I am certain I would not use it.

19. Name the county you live in.
_____

20. Give the City, Village, and Township of your residence (not street address)
_____
_____
Zip Code _____

21. Your Birthdate Avg. Age: 26
Month Day Year
Range: 13-45

22. Are you Hispanic?
_yes
_no

23. What is your race?
15.7% _Black
81.1% _White
2.0% _Other _____ (specify)
1.3% Hispanic

24. Infant Birthweight:
LT2500 gms.: 5.6%
2500-5000: 93.9%
GT 5000: .5%

25. Baby was born:
17.6% _early
60.9% _at about nine months
21.6% _late

26. Infant Status:
96.7% _born alive and healthy
3.2% _born alive with illness
.1% _died, before or after birth

27. Pregnancy Complications
78.1% _no
21.9% _yes _____ (Please Specify)
_____

28. Total family income for the last 12 months before deductions (in dollars)
Avg: $19,999.56
Range: $0-$99,999.00

29. How many people are in your family, that is, the number supported by this income?
Avg: 3.3
Range: 0-15

30. Does this income include any public assistance, food stamps or unemployment compensation?
69.1% _no
30.9% _yes

31. Last grade of school or degree completed Avg: 12.6
(specify grade)

32. Approximately how many cigarettes did you smoke per day during your pregnancy?
Avg: 5.3
Range: 0-60 ate Number)

33. On the average, how many alcoholic drinks did you consume per day during this pregnancy?
_____
(State Number)
(One drink is equal to 1 oz. of alcohol, one glass of wine or one beer.)

34. COMMENTS:

EXECUTIVE SUMMARY

This summary is intended to serve as an overview of the findings of the needs assessment survey conducted for the Michigan Department of Public Health's Special Task Force on Prenatal Care.

Michigan has experienced double digit unemployment for approximately four years. This problem directly affects the ability of nearly three quarters of a million of Michigan's unemployed citizens to provide food, shelter, heat, clothing and health care for themselves and their families.

In addition, Michigan has experienced a concurrent rise in infant mortality rates. In 1981, Michigan was hit with its greatest single yearly increase in infant mortality rates since World War II. Rates rose to 13.2 deaths per 1000 live births. This ranked Michigan near the bottom quartile, 36th of 50 states, substantially below the national average. Several cities and counties have been hard hit by this problem. The Detroit Metro area in particular has been identified as an area in great need of assistance with this problem.

The utilization of prenatal care has been closely tied to infant birth weight. Low birth weight is one of the primary predictors of infant death. In addition, unemployment and poverty have been identified as major correlates of infant mortality. Most health care professionals would argue that these are causally linked factors rather than mere correlates of infant mortality (Children's Defense Fund, 1984).

Michigan is attempting to address this health care crisis. The Michigan legislature called for the Department Of Public Health to submit a proposed program statement to make prenatal care a basic health service. University Associates was awarded a contract to establish a source of data from which to empirically derive an accurate estimate of the need for prenatal care in Michigan.

Through scientifically rigorous survey methodology, prenatal care patterns of Michigan mothers were determined. Women delivering in Michigan hospitals during the month of December 1983 were administered surveys by hospital staff. Eighty-nine percent of the women (n=1879) who delivered during a specified time interval in ninety-five percent of Michigan's hospitals with Obstetric Units responded to the survey.

The 33-item Prenatal Care Questionnaire was specifically designed to obtain information about the prenatal care received by the woman, the availability of sources of payment for prenatal care, the self-reported need for assistance in obtaining prenatal care, and a variety of demographic information.

A woman in need of assistance in obtaining prenatal care was operationally defined by the Blue Ribbon Prenatal Task Force to have the following characteristics:

* Family income below 185% poverty level.
* No alternative sources of payment for prenatal care (e.g., insurance).
* Not Medicaid eligible.

Survey results indicated that 7.2 % of Michigan women were in need of assistance in obtaining prenatal care. This proportion represents 9504 women. Ninety percent confidence bounds were established around this projected figure. This confidence interval ranges from 7,828 to 11,180. Better than one in four of those identified as financially needy were in the tri-county Metro area (i.e., Wayne, Macomb and Oakland counties).

Approximately 39% of the women in Wayne County were from families where the major income earner was unemployed. However, two-thirds of the Black women in Wayne county were from such families. Unemployment in general has an enormous impact on many factors related to prenatal care. For example, women from families where the major wage earner was unemployed were twice as likely to deliver low birth weight babies and twice as likely to experience some delivery complication.

In addition, 72% of those from unemployed families were living below the United States Department of Agriculture's 100% poverty guidelines. Less than 10% of the employed group were living in such poverty. Nearly 80% of the women from unemployed families received Medicaid benefits that provide for prenatal care. However, 20% were without this form of support.

The "financially needy" group (defined by this program statement as below 185% poverty) was compared with the Medicaid group and the insured group. On many dimensions (e.g., trimester prenatal care began, age, educational level of the mother), the financially needy occupied a central position between the extremes defined by the Medicaid and insured groups. On the other hand, the financially needy more closely resemble the insured group on other variables of interest (e.g., racial breakdown, proportion of mothers under 18 years of age).

Race has been a major factor of interest when attempting to determine the need for human services. Survey results suggested that 9.5% of those deemed financially needy were Black. However, the proportion was considerably larger in the Wayne County area (36%). Race is also frequently confounded with the general income level of the individual. In fact, survey results showed no relationship between Race and eligibility when the effect due to income is held constant.

Findings suggest that a substantial number of Michigan women are currently experiencing sufficient economic hardships that they are finding it difficult to pay for preventive prenatal care. Additionally, significant numbers of the insured and Medicaid groups reported difficulty in obtaining prenatal care due to a variety of barriers including transportation, the availability of providers willing and able to provide care, and legal complications associated with pregnant women who are underage. Most importantly, the infant mortality issue is everyone's problem, in that the need is spread across the entire state.

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